

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): August 10, 2022 (August 10, 2022)

CHARDAN NEXTECH ACQUISITION 2 CORP.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-40730
(Commission
File Number)

85-1873463
(I.R.S. Employer
Identification No.)

17 State Street, 21st Floor
New York, NY
(Address of principal executive offices)

10004
(Zip Code)

(646) 465-9000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Units, consisting of one share of Common Stock, \$0.0001 par value per share, and three-quarters of one Redeemable Warrant	CNTQU	NASDAQ Capital Market
Common Stock, par value \$0.0001 per share, included as part of the Units	CNTQ	NASDAQ Capital Market
Redeemable Warrants included as part of the Units, each exercisable for one share of Common Stock for \$11.50 per share	CNTQW	NASDAQ Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01 Regulation FD Disclosure.

As previously disclosed, on May 15, 2022, Chardan NexTech Acquisition 2 Corp., a Delaware corporation (“Chardan” or “CNTQ”), entered into an Agreement and Plan of Merger, as amended on July 12, 2022, with Dragonfly Energy Corp., a Nevada corporation (“Dragonfly”), and Bronco Merger Sub, Inc., a Nevada corporation and a direct, wholly owned subsidiary of Chardan.

Attached as Exhibit 99.1, and incorporated herein by reference, is the revised investor presentation, dated August 10, 2022, for use by Chardan in meetings with certain of its stockholders as well as other persons with respect to Chardan’s proposed transaction with Dragonfly, as described in this Current Report on Form 8-K. This revised investor presentation amends the investor presentation, filed as Exhibit 99.1 to the Form 8-K filed by Chardan on July 12, 2022, to detail the reconciliation of non-GAAP figures disclosed in the investor presentation.

The information in this Item 7.01, including Exhibit 99.1, is furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to liabilities under that section, and shall not be deemed to be incorporated by reference into the filings of Chardan under the Securities Act or the Exchange Act, regardless of any general incorporation language in such filings.

Forward-Looking Statements

This Current Report on Form 8-K contains certain “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended (the “Securities Act”) and Section 21E of the Securities Exchange Act of 1934, as amended, including certain financial forecasts and projections. All statements other than statements of historical fact contained in this Current Report on Form 8-K, including statements as to the transactions contemplated by the business combination and related agreements, future results of operations and financial position, revenue and other metrics, planned products and services, business strategy and plans, objectives of management for future operations of Dragonfly, market size and growth opportunities, competitive position and technological and market trends, are forward-looking statements. Some of these forward-looking statements can be identified by the use of forward-looking words, including “may,” “should,” “expect,” “intend,” “will,” “estimate,” “anticipate,” “believe,” “predict,” “plan,” “targets,” “projects,” “could,” “would,” “continue,” “forecast” or the negatives of these terms or variations of them or similar expressions. All forward-looking statements are subject to risks, uncertainties, and other factors (some of which are beyond the control of Dragonfly or CNTQ) which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. All forward-looking statements are based upon estimates, forecasts and assumptions that, while considered reasonable by CNTQ and its management, and Dragonfly and its management, as the case may be, are inherently uncertain and many factors may cause the actual results to differ materially from current expectations which include, but are not limited to: 1) the occurrence of any event, change or other circumstances that could give rise to the termination of the definitive merger agreement with respect to the business combination; 2) the outcome of any legal proceedings that may be instituted against Dragonfly, CNTQ, the combined company or others following the announcement of the business combination and the transactions contemplated thereby; 3) the inability to complete the business combination due to the failure to obtain approval of the stockholders of CNTQ, or to satisfy other conditions to closing the business combination; 4) changes to the proposed structure of the business combination that may be required or appropriate as a result of applicable laws or regulations or as a condition to obtaining regulatory approval of the business combination; 5) the ability to meet Nasdaq’s listing standards following the consummation of the business combination; 6) the risk that the business combination disrupts current plans and operations of Dragonfly as a result of the announcement and consummation of the business combination; 7) the inability to recognize the anticipated benefits of the business combination; 8) ability of Dragonfly to successfully increase market penetration into its target markets; 9) the addressable markets that Dragonfly intends to target do not grow as expected; 10) the loss of any key executives; 11) the loss of any relationships with key suppliers including suppliers in China; 12) the loss of any relationships with key customers; 13) the inability to protect Dragonfly’s patents and other intellectual property; 14) the failure to successfully optimize solid state cells or to produce commercially viable solid state cells in a timely manner or at all, or to scale to mass production; 15) costs related to the business combination; 16) changes in applicable laws or regulations; 17) the possibility that Dragonfly or the combined company may be adversely affected by other economic, business and/or competitive factors; 18) Dragonfly’s estimates of its growth and projected financial results for 2022 and 2023 and meeting or satisfying the underlying assumptions with respect thereto; 19) the risk that the business combination may not be completed in a timely manner or at all, which may adversely affect the price of CNTQ’s securities; 20) the risk that the transaction may not be completed by CNTQ’s business combination deadline (as may be extended pursuant to CNTQ’s governing documents); 21) the impact of the novel coronavirus disease pandemic, including any mutations or variants thereof and the Russian/Ukrainian conflict, and any resulting effect on business and financial conditions; 22) inability to complete the PIPE investment, the term loan and equity line (ChEF) in connection with the business combination; 23) the potential for events or circumstances that result in Dragonfly’s failure to timely achieve the anticipated benefits of Dragonfly’s customer arrangements with Thor; and 24) other risks and uncertainties set forth in the sections entitled “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” in CNTQ’s Form S-1 (File Nos. 333-252449 and 333-253016), Annual Report on Form 10-K for the year ended December 31, 2021, Quarterly Report on Form 10-Q for the three months ended March 31, 2022 and registration statement on Form S-4 (File No. 333-266273) filed with the SEC on July 22, 2022, which is subject to change and will include a document that serves as a prospectus and proxy statement of CNTQ, referred to as a proxy statement/prospectus and other documents filed by CNTQ from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Nothing in this Current Report on Form 8-K should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward looking statements will be achieved. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. Neither CNTQ nor Dragonfly gives any assurance that either CNTQ or Dragonfly or the combined company will achieve its expected results. Neither CNTQ nor Dragonfly undertakes any duty to update these forward-looking statements, except as otherwise required by law. For additional information, see “Risk Considerations” in the investor presentation, filed on a Current Report on Form 8-K by CNTQ with the SEC and available at www.sec.gov.

Additional Information and Where to Find It

This Current Report on Form 8-K relates to a proposed transaction between CNTQ and Dragonfly. CNTQ has filed a registration statement on Form S-4 (File No. 333-266273) with the SEC on July 22, 2022, which is subject to change and includes a document that serves as a prospectus and proxy statement of CNTQ, referred to as a proxy statement/prospectus. The definitive proxy statement/prospectus will be sent to all CNTQ stockholders. CNTQ has also filed other documents regarding the proposed transaction with the SEC. Before making any voting decision, investors and security holders of CNTQ are urged to read the registration statement, the proxy statement/prospectus and all other relevant documents filed or that will be filed with the SEC in connection with the proposed transaction because they contain important information about the proposed transaction.

Investors and security holders are able to obtain free copies of the registration statement, the proxy statement/prospectus and all other relevant documents filed or that will be filed with the SEC by CNTQ through the website maintained by the SEC at www.sec.gov.

The documents filed by CNTQ with the SEC also may be obtained by contacting Chardan NexTech Acquisition 2 Corp. at 17 State Street, 21st Floor, New York, New York 10004, or by calling (646) 465-9001.

NEITHER THE SEC NOR ANY STATE SECURITIES REGULATORY AGENCY HAS APPROVED OR DISAPPROVED THE TRANSACTIONS DESCRIBED IN THIS CURRENT REPORT ON FORM 8-K, PASSED UPON THE MERITS OR FAIRNESS OF THE BUSINESS COMBINATION OR RELATED TRANSACTIONS OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE DISCLOSURE IN THIS CURRENT REPORT ON FORM 8-K. ANY REPRESENTATION TO THE CONTRARY CONSTITUTES A CRIMINAL OFFENSE.

Participants in the Solicitation

Dragonfly, CNTQ and certain of their respective directors, executive officers and other members of management and employees may, under SEC rules, be deemed to be participants in the solicitation of proxies from CNTQ's stockholders in connection with the proposed business combination. A list of the names of such persons and information regarding their interests in the proposed business combination are contained in the definitive proxy statement/prospectus. You may obtain free copies of these documents free of charge by directing a written request to CNTQ or Dragonfly. The definitive proxy statement will be mailed to CNTQ's stockholders as of a record date to be established for voting on the proposed business combination when it becomes available.

No Offer or Solicitation

This Current Report on Form 8-K is and the information contained therein are not intended to and does not constitute an offer to sell or the solicitation of an offer to buy, sell or solicit any securities or any proxy, vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be deemed to be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act or an exemption therefrom.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
<u>99.1</u>	<u>Investor Presentation, dated as of August 10, 2022.</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CHARDAN NEXTECH ACQUISITION 2 CORP.

Date: August 10, 2022

By: /s/ Jonas Grossman

Name: Jonas Grossman

Title: Chief Executive Officer



Disclaimer (1/6)

Legal Disclaimer

This investor presentation (this "Presentation") has been prepared for use by Dragonfly Energy Corp. ("Dragonfly" or the "Company") and Chardan NexTech Acquisition Corp. ("Chardan") in connection with their proposed business combination. This Presentation is for information purposes only and may not be reproduced or redistributed, in whole or in part, without the written consent of CNTQ and Dragonfly. Neither CNTQ nor Dragonfly makes any representation or warranty as to the accuracy or completeness of the information contained in this Presentation. This Presentation does not and, if hereafter supplemented, will not be all inclusive or contain all of the information that may be required to evaluate the proposed business combination or any investment in Dragonfly or CNTQ. You should not definitively rely upon it or use it to form the definitive basis for any decision, contract, commitment or action, of whatever nature, with respect to the proposed business combination or otherwise. You should consult your own legal, regulatory, tax, business, financial and accounting advisors, and you must make your own investment decision and perform your own independent investigation and analysis of an investment in Dragonfly and CNTQ in connection with the business combination contemplated in this Presentation. To the fullest extent permitted by law, in no circumstances will Dragonfly, CNTQ, or any of their respective directors, employees, representatives, advisors or agents be responsible or liable for any direct, indirect or consequential loss or loss of profit arising from the use of this Presentation, its contents, its omissions, reliance on the information contained within it or on opinions communicated in relation thereto or otherwise arising in connection therewith.

This Presentation and the analyses contained in it have been based, in part, on certain assumptions and information obtained from Dragonfly, industry studies and other sources. Dragonfly and CNTQ have assumed and relied upon the accuracy and completeness of such assumptions and information for purposes of this Presentation. Neither Dragonfly nor CNTQ, nor any of their respective affiliates, or their respective officers, directors, employees, representatives, advisors or agents, make any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Presentation or any oral information provided in connection herewith, or any data it contains, or any effect on the terms or in the manner stated or implied by this Presentation, or as to the achievement or reasonableness of future projections, estimates, prospects or returns, if any, and accept no responsibility, obligation or liability (whether direct or indirect, in contract, tort or otherwise) in relation to any such information. Dragonfly, CNTQ and their respective affiliates, officers, directors, employees, representatives, advisors and agents expressly disclaim any and all liability which may be incurred in connection with this Presentation and any errors therein or omissions therefrom.

This Presentation and the information contained herein do not constitute (i) (a) a solicitation of a proxy, consent or authorization with respect to any securities or business combination or (b) an offer to sell or the solicitation of an offer to buy any security, commodity or instrument or related derivative, nor shall there be any offer, sale or disposition of any such securities or instruments in any jurisdiction in which the offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction or (ii) an offer to lend, syndicate or arrange a financing, underwrite or purchase or act as an agent or advisor or in any other capacity with respect to any transaction, or commit to any trading strategies. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, or an exemption therefrom. Any offering of securities (the "Securities") will not be registered under the Act, and will be offered as a private placement to a limited number of "accredited investors" as defined in Rule 501(a)(1), (2), (3) or (7) under the Act or "qualified institutional buyers" as defined in Rule 144A under the U.S. Act and "Institutional Investors" as defined in FINRA Rule 451 2(c). Accordingly, the Securities must continue to be held unless a subsequent disposition is exempt from the registration requirement under the Act. The transfer of the Securities must comply with the conditions set forth in an agreement under which they are to be issued. Investors should be aware that they might be required to bear the final risk of their investment for an indefinite period of time. Neither Dragonfly nor CNTQ is making an offer of the Securities in any state where the offer is not permitted.

Disclaimer (2/6)

Legal Disclaimer (Cont'd)

You should not construe the contents of this Presentation as legal, regulatory, tax, accounting or investment advice or a recommendation. We recommend that you seek third party legal, regulatory, accounting and tax advice regarding the contents of this Presentation. This Presentation does not constitute and should not be construed as a financial opinion or recommendation by Dragonfly, CNTQ or any of their respective affiliates. This Presentation is not a research report. By accepting this Presentation, you are not relying upon the information contained herein to make any decision. This Presentation is for distribution only to persons reasonably believed to be able to understand the risks involved.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION ("SEC") NOR ANY STATE OR TERRITORIAL SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THIS PRESENTATION OR DETERMINED IF THIS PRESENTATION IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Forward-Looking Statements

This Presentation contains certain "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended, including certain financial forecasts and projections. Forward-looking statements are statements that are not historical facts, including statements as to the transactions contemplated by the business combination and related results of operations and financial position, revenue and other metrics, planned products and services, business strategy and plans, objectives of management for Dragonfly, market size and growth opportunities, competitive position and technological and market trends, are forward-looking statements. Some of these forward-looking statements can be identified by the use of forward-looking words, including "may," "should," "expect," "intend," "will," "estimate," "anticipate," "believe," "predict," "plan," "target," "would," "continue," "forecast" or the negatives of these terms or variations of them or similar expressions. All forward-looking statements are subject to risks, uncertainties and other factors (some of which are beyond the control of Dragonfly or CNTQ) which could cause actual results to differ materially from those expressed or implied by such statements.

Disclaimer (3/6)

Forward-Looking Statements (Cont'd)

All forward-looking statements are based upon estimates, forecasts and assumptions that, while considered reasonable by CNTQ and its management, and Dragonfly management, as the case may be, are inherently uncertain and many factors may cause the actual results to differ materially from current expectations which are limited to: 1) the occurrence of any event, change or other circumstances that could give rise to the termination of the definitive merger agreement with respect to the business combination; 2) the outcome of any legal proceedings that may be instituted against Dragonfly, CNTQ, the combined company or others following the announcement of the business combination and the transactions contemplated thereby; 3) the inability to complete the business combination due to the failure to obtain approval of the combined company, or to satisfy other conditions to closing the business combination; 4) changes to the proposed structure of the business combination that may be required as a result of applicable laws or regulations or as a condition to obtaining regulatory approval of the business combination; 5) the ability to meet Nasdaq's listing standards for the consummation of the business combination; 6) the risk that the business combination disrupts current plans and operations of Dragonfly as a result of the announcement of the business combination; 7) the inability to recognize the anticipated benefits of the business combination; 8) ability of Dragonfly to successfully penetrate into its target markets; 9) the addressable markets that Dragonfly intends to target do not grow as expected; 10) the loss of any key executives; 11) the loss of relationships with key suppliers including suppliers in China; 12) the loss of any relationships with key customers; 13) the inability to protect Dragonfly's patents and other intellectual property; 14) the failure to successfully optimize solid state cells or to produce commercially viable solid state cells in a timely manner or at all, or to scale to mass production; 15) changes in applicable laws or regulations; 16) changes in applicable laws or regulations; 17) the possibility that Dragonfly or the combined company may be adversely affected by economic, business and/or competitive factors; 18) Dragonfly's estimates of its growth and projected financial results for 2022 and 2023 and meeting or satisfying assumptions with respect thereto; 19) the risk that the business combination may not be completed in a timely manner or at all, which may adversely affect the price of the securities; 20) the risk that the transaction may not be completed by CNTQ's business combination deadline (as may be extended pursuant to CNTQ's governing documents); 21) the impact of the novel coronavirus disease pandemic, including any mutations or variants thereof and the Russian/Ukrainian conflict, and any resulting effect on business operations; 22) inability to complete the PIPE investment, the term loan and equity line (ChEF) in connection with the business combination; 23) the potential for circumstances that result in Dragonfly's failure to timely achieve the anticipated benefits of Dragonfly's customer arrangements with Thor; and 24) other risks and uncertainties set forth in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in CNTQ's Form S-1 (File Nos. 333-252449 and 333-253027) on Form 10-K for the year ended December 31, 2021, Quarterly Report on Form 10-Q for the three months ended March 31, 2022 and registration statement on Form S-1 (File No. 333-266273) filed with the SEC on July 22, 2022, which is subject to change and will include a document that serves as a prospectus and proxy statement of CNTQ, registration statement/prospectus and other documents filed by CNTQ from time to time with the SEC. These filings identify and address other important risks and uncertainties that may cause actual events and results to differ materially from those contained in the forward-looking statements. Nothing in this presentation should be regarded as a guarantee or assurance that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward looking statements will be realized. No person should place undue reliance on forward-looking statements, which speak only as of the date they are made. Neither CNTQ nor Dragonfly gives any assurance or representation that Dragonfly or the combined company will achieve its expected results. Neither CNTQ nor Dragonfly undertakes any duty to update these forward-looking statements or to revise the forward-looking statements to reflect events or circumstances after the date of issuance or to reflect the occurrence of events or circumstances that would make the forward-looking statements inaccurate or misleading, other than as otherwise required by law. For additional information, see "Risk Considerations" herein, as filed in a Current Report on Form 8-K by CNTQ with the SEC and available at www.cntq.com.

Disclaimer (4/6)

Use of Projections

This Presentation may contain financial forecasts of Dragonfly. Neither Dragonfly's independent auditors, nor the independent registered public accounting firm reviewed, compiled or performed any procedures with respect to the projections for the purpose of their inclusion in this Presentation, and accordingly, neither o an opinion or provided any other form of assurance with respect thereto for the purpose of this Presentation.

These projections are forward-looking statements and should not be relied upon as being necessarily indicative of future results. The projected financial informat this Presentation constitutes forward-looking information.

The assumptions and estimates underlying such projected financial information are inherently uncertain and are subject to a wide variety of significant business, competitive and other risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. See Statements" above. Accordingly, there can be no assurance that the prospective results are indicative of future performance of Dragonfly or that actual results wi materially from the results presented in the prospective financial information contained in this Presentation. Actual results may differ materially from the results i the projected financial information contained in this Presentation. The inclusion of such information in this Presentation should not be regarded as a representat that the results reflected in such projections will be achieved.

Financial Information:

Non-GAAP Measures

Certain financial information and data contained in this Presentation is unaudited and may not conform to Regulation S-X. Such information and data may not b be adjusted in or may be presented differently in the registration statement to be filed relating to the proposed Transaction and the proxy statement/prospectus This Presentation also includes certain financial measures not presented in accordance with generally accepted accounting principles ("GAAP") including, but no Adjusted EBITDA. These non-GAAP financial measures, and other measures that are calculated using these non-GAAP measures, are not measures of financial p accordance with GAAP and may exclude items that are significant in understanding and assessing the Company's financial results. Therefore, these measures sh considered in isolation or as an alternative to net income, cash flows from operations or other measures of profitability, liquidity or performance under GAAP. You that the Company's presentation of these measures may not be comparable to similarly-titled measures used by other companies. The Company believes these i measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to the Company's and results of operations. CNTQ and the Company believe that the use of these non-GAAP financial measures provides an additional tool for investors to use in ev operating results and trends and in comparing the Company's financial measures with other similar companies, many of which present similar non-GAAP financ investors. These non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which expense excluded or included in determining these non-GAAP financial measures.

This Presentation may also include certain projections of non-GAAP financial measures. Due to the high variability and difficulty in making accurate forecasts and some of the information excluded from these projected measures, together with some of the excluded information not being ascertainable or accessible, the Co quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measures without unreasonable effort. Consequ reconciliation of the forward-looking non-GAAP financial measures is included.

Disclaimer (5/6)

Trademarks

Dragonfly and CNTQ own or have rights to various trademarks, service marks and trade names that they use in connection with the operation of their respective businesses. This Presentation may also contain trademarks, service marks, trade names and copyrights of other companies, which are the property of their respective owners. The use of third parties' trademarks, service marks, trade names or products in this Presentation is not intended to, and does not imply, a relationship with Dragonfly or CNTQ, an endorsement or sponsorship by or of Dragonfly or CNTQ. Solely for convenience, some of the trademarks, service marks, trade names and copyrights referred to in this Presentation may be listed without the TM, SM, ® or ® symbols, but such references are not intended to indicate, in any way, that Dragonfly or CNTQ will not assert, to the full extent applicable law, their rights or the rights of the applicable owners, if any, to these trademarks, service marks, trade names and copyrights.

Industry and Market Data

This Presentation contains certain information obtained from third-party sources and the Company's internal sources. This information involves many assumptions and, therefore, there can be no guarantee as to the accuracy or reliability of such assumptions and you are cautioned not to give undue weight to this information. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any projections or any other information or data on past performance or modeling contained herein are not an indication as to future performance. None of Dragonfly, CNTQ or their respective affiliates, officers, employees, representatives or advisors has independently verified the accuracy or completeness of any such third-party information. Similarly, other third-party research reports commissioned by the Company or CNTQ, while believed by to be reliable, are based on limited sample sizes and have not been independently verified by the Company or CNTQ. In addition, projections, assumptions, estimates, goals, targets, plans and trends of the future performance of the industry in which Dragonfly and CNTQ operate, are necessarily subject to uncertainty and risk due to a variety of factors, including those described above. These and other factors could cause actual performance to differ materially from those expressed in the estimates made by independent parties and by Dragonfly and CNTQ.

Additional Information and Where to Find It

This Current Report on Form 8-K relates to a proposed transaction between CNTQ and Dragonfly. CNTQ has filed a registration statement on Form S-4 (File No. 333-264444) with the SEC on July 22, 2022, which is subject to change and includes a document that serves as a prospectus and proxy statement of CNTQ, referred to as a proxy statement/prospectus. The definitive proxy statement/prospectus will be sent to all CNTQ stockholders. CNTQ has also filed other documents regarding the proposed transaction with the SEC. In making any voting decision, investors and security holders of CNTQ are urged to read the registration statement, the proxy statement/prospectus and all other information filed or that will be filed with the SEC in connection with the proposed transaction because they contain important information about the proposed transaction.

Disclaimer (6/6)

Additional Information and Where to Find It (Cont'd)

Investors and security holders are able to obtain free copies of the registration statement, the proxy statement/prospectus and all other relevant documents will be filed with the SEC by CNTQ through the website maintained by the SEC at www.sec.gov.

The documents filed by CNTQ with the SEC also may be obtained by contacting Chardan NexTech Acquisition 2 Corp. at 17 State Street, 21st Floor, New York, NY 10004, or by calling (646) 465-9001.

NEITHER THE SEC NOR ANY STATE SECURITIES REGULATORY AGENCY HAS APPROVED OR DISAPPROVED THE TRANSACTIONS DESCRIBED IN THIS FILING. YOU SHOULD MAKE YOUR OWN INVESTMENT DECISIONS. ANY REPRESENTATION TO THE CONTRARY CONSTITUTES A CRIMINAL OFFENSE.

Participants in the Solicitation

Dragonfly, CNTQ and certain of their respective directors, executive officers and other members of management and employees may, under SEC rules, be deemed to be participants in the solicitation of proxies from CNTQ's stockholders in connection with the proposed business combination. A list of the names of such persons and information regarding their interests in the proposed business combination are contained in the definitive proxy statement/prospectus. You may obtain free copies of these documents free of charge by directing a written request to CNTQ or Dragonfly. The definitive proxy statement will be mailed to CNTQ's stockholders as of a record date to be established for the proposed business combination when it becomes available.

Chardan NexTech 2 Team

Chardan NexTech Acquisition 2 Corp. brings a leadership team and board with vast transaction and operating experience, along with its Sponsor's full service investment bank, to support its partnership with Dragonfly Energy.

Experienced Executive Team



Kerry Propper
Executive Chairman

CHARDAN
credit sesame
ATW PARTNERS
pierian dx
3408 Basics
HollySys



Jonas Grossman
CEO and Director

CHARDAN
monterey bay
LIFE SCI ACQUISITION
Renovacor
CleanTech ACQUISITION CORP
BiomX
RAMBUS
Ventoux CCM Acquisition Corp



Alex Williams
CFO and I

CHARDAN
William Blair

Results Driven Board



Todd Thomson

citi
KV KAIROS VENTURES



Perry Boyle

Thomas Weisel Partners
Point 72



Jon Biele

CITADEL
SUNTRUST ROBINSON HEMPHREY



Roderick Hardamon

citi
SS&C



Jory Des Jardins

#BLOGHER
aws

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Chardan NexTech 2 Overview



- Chardan NexTech Acquisition 2 Corp. (NASDAQ: CNTQ) is a \$127 million SPAC focused on merging with a disruptive technology company
- Executives are comprised of founding partners and executives of **Chardan**
- ~80 years of combined expertise, including offering and transaction experience
- Board is comprised of dedicated individuals including entrepreneurs, prominent managers, and venture capitalists

Sponsored by **Chardan**, an independent, global investment bank focused on addressing the capital needs of public and private **disruptive technology** companies



Source: Public Company Filings.

(1) Includes closed, priced, and publicly filed offerings as of 07/08/2022.

(2) Includes role as underwriter or selling group.

Transaction Overview

Transaction Highlights

Transaction Overview	- Dragonfly Energy Corp. ("Dragonfly") is expected to combine with Chardan NexTech Acquisition 2 Corp. ("CNTQ") to create a publicly-listed energy storage technology company - Transaction expected to close in H2 2022
Valuation	- Issuing 41.5MM shares to existing Dragonfly shareholders⁽¹⁾ - Includes a \$15MM strategic investment from THOR Industries (NYSE: THO) - Pro forma enterprise value of \$501.4MM, representing a 2.0x EV / 2023E Revenue multiple - Represents a 21% discount to median of the peer group
Earn-out	- Strong incentive structure facilitated by earn-out provisions, with 40.0MM shares to be released at specified earn-out thresholds:⁽²⁾⁽³⁾ - Tranche 1: 15.0MM issued at financial target by December 31, 2023⁽⁴⁾ - Tranche 2: 12.5MM issued at a price target of \$22.50 by December 31, 2026⁽⁵⁾ - Tranche 3: 12.5MM issued at a price target of \$32.50 by December 31, 2028
Cash Sources	- CNTQ has ~\$128MM⁽⁶⁾ cash in trust - Senior Secured Term Loan at close of \$75MM⁽⁷⁾ - Affiliates of the Sponsor to invest \$5MM PIPE
Capital Structure	~\$133MM⁽⁸⁾ of cash to balance sheet (assuming no redemptions) to fund R&D and investments in growth and expansion - Dragonfly shareholders rolling 100% of equity

Notes:

(1) Dragonfly shareholders will receive 39.05MM shares at close as a result of unvested stock options not yet issued and vested options calculated on a net share basis.

(2) Existing Dragonfly shareholders at time of transaction close are entitled to the earn-out shares.

(3) Price targets achieved if the weighted average share price exceeds the applicable price target for any 20 trading days within a 30-day trading period occurring between the closing and on or prior to the applicable expiration date.

(4) Earn-out released at achievement of 2023 audited Revenue and Operating Income of \$250MM and \$35MM, respectively.

(5) If Tranche 3 vests on or prior to December 31, 2026, Tranche 2 will also vest and release.

(6) Calculated as 12.65MM public shares multiplied by \$10.15 per share in trust.

(7) Term loan lenders to receive penny warrants exercisable to purchase 3.6% of the Company's common stock on a fully-diluted basis, and "\$10 Per Share Warrants" exercisable to purchase 1.6MM shares.

(8) Excludes \$150MM equity line of credit provided by affiliates of the Sponsor available post close.

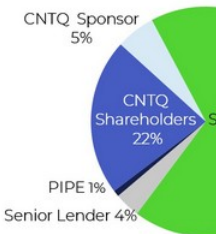
(9) Pro forma ownership structure at \$10.00 / share based on \$128.4MM cash in trust, assuming no redemptions. Excludes CNTQ public and private warrants. Excludes term loan lenders' "\$10 per Share Warrants" but includes term loan lenders' penny warrants. Assumes consummation of the back-to-back funding arrangement. Sponsor has entered into for its portion of the debt commitment.

(10) Includes \$147.9MM of cash and \$75.0MM of senior secured debt.

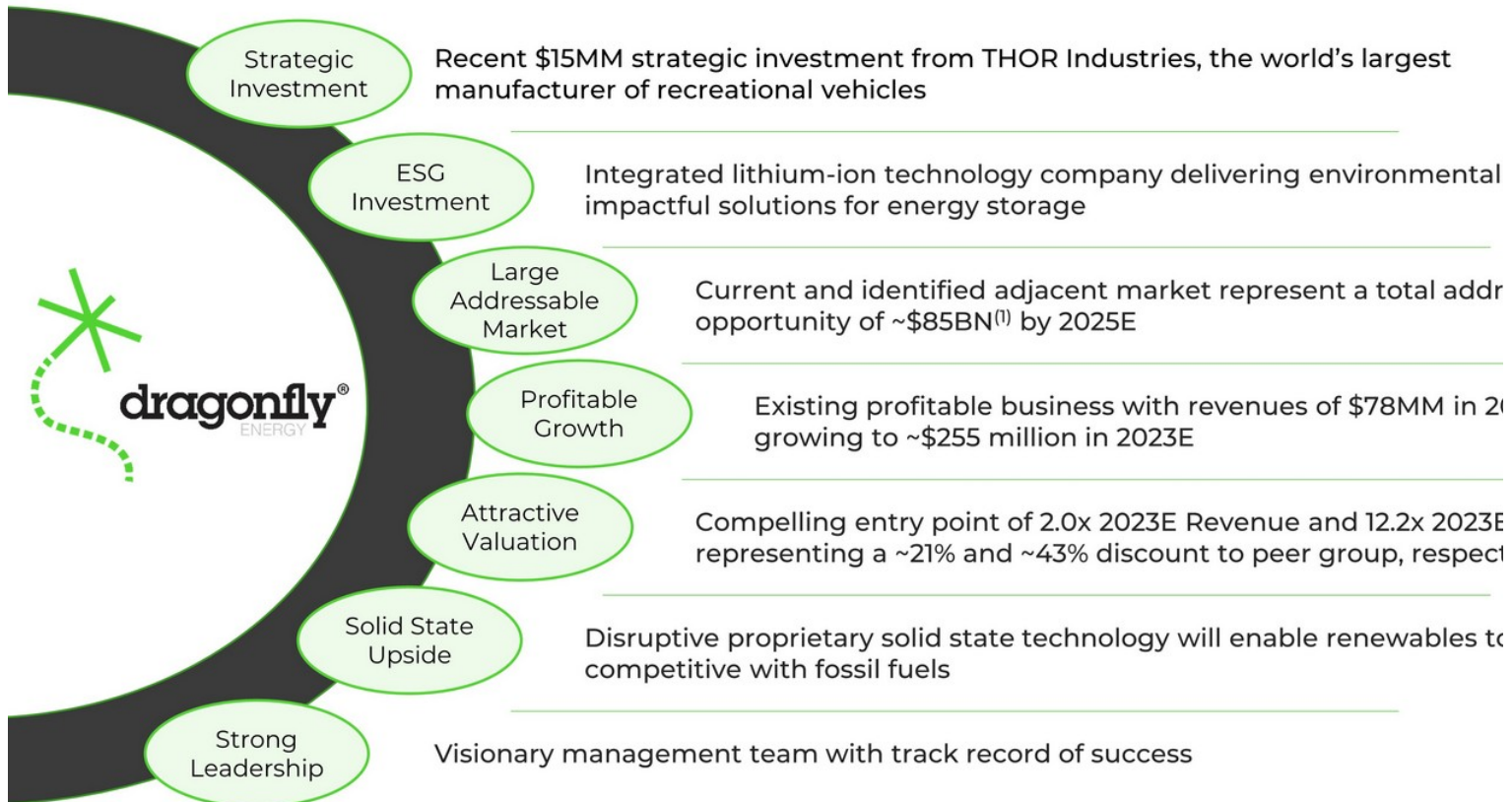
Summary Transaction Terms

Pro Forma Valuation at Close
Share Price
Pro Forma Shares Outstanding (MM) ⁽¹⁾⁽⁹⁾
Pro Forma Equity Value
Less: Pro Forma Net Cash ⁽¹⁰⁾
Dragonfly Enterprise Value
Estimated Sources
Dragonfly Shareholder Equity Rollover
CNTQ Cash in Trust
Senior Secured Term Loan
PIPE
Total Sources
Estimated Uses
Dragonfly Shareholder Equity Rollover
Cash to Dragonfly Balance Sheet
Repayment of Existing Debt
Estimated Transaction Expenses
Total Uses

Pro Forma Ownership ⁽⁹⁾



Investment Thesis



Source: Management Estimates, Frost & Sullivan, NMMA, RVIA, Grandview Research, Statista, Research Nester, Associated Press, Generac, CTIA, International Construction, U.S. Energy Information Administration, U.S. Census Bureau
(1) Annual, cumulative addressable markets by 2025E.

Our Team



Dr. Denis Phares
Co-Founder and CEO



Sean Nichols
Co-Founder and COO



John Morgan
Chief Financial Officer
STIFEL
Morgan



Nicole Harvey
General Counsel



Dr. Vick Singh
Senior R&D Scientist



Wade Seaburg
*Director – Outside Sales and
Business Development*



Ryan H.
*Director – International
and Automotive*

*Revolutionizing smart
energy storage to enable a
clean, renewable future*



Dragonfly's Industry Leading Business

- Incorporated in 2012
- Headquartered in Reno, Nevada
- >150 employees



\$78 Mil
2021 Revenue

>175
Batteries Sold Since 2012

17
Quarters of Profitability

>20%
DTC⁽³⁾ Customer Growth

~160%
OEM⁽⁴⁾ Revenue CAGR

>35
Grants and Pending

>\$500 M
Manufacturing Sales

Source: Dragonfly Energy.

(1) As of Q1 2022.

(2) Profitability defined as positive Adjusted EBITDA.

(3) DTC denotes Direct to Consumer.

(4) OEM denotes Original Equipment Manufacturer.

(5) Based on Company's estimated manufacturing capacity after planned expansion.

The Battle Born Advantage

- ✓ Environmentally safe
- ✓ Efficient and reliable
- ✓ Innovative technology
- ✓ Unmatched brand recognition
- ✓ Exceptional customer experience
- ✓ Designed and assembled in the U.S.

Dragonfly is a full system integrator offering batteries, cables, and accessories

Source: Dragonfly Energy.



Our Batteries



Get Out The
Stay Out Th

Deepening Relationship with THOR Industries

THOR Industries has invested \$15MM of strategic capital in Dragonfly, deepening its long-lasting relationship

THOR Industries at a Glance

- THOR Industries (NYSE: THO) is the largest manufacturer of recreational vehicles in the world
- The THOR family consists of 140+ brands from 15+ major RV manufacturers in North America, including Airstream and Keystone

~\$4.5BN
Market Cap⁽¹⁾

\$16.1BN
TTM Revenue⁽²⁾

\$1.8BN
TTM EBITDA⁽²⁾

~3,500
Dealerships⁽³⁾

397
Global Facilities⁽³⁾

>30,000
Employees⁽³⁾

THOR Family



Source: Dragonfly Energy, Public Company Filings, Company Websites, FactSet.

(1) As of 07/08/2022.

(2) TTM as of 04/30/2022.

(3) As of 07/31/2021.

(4) In which the Company participates in North America.

(5) U.S. and Canada wholesale unit shipments for calendar year 2021.



THOR
Industries

#1

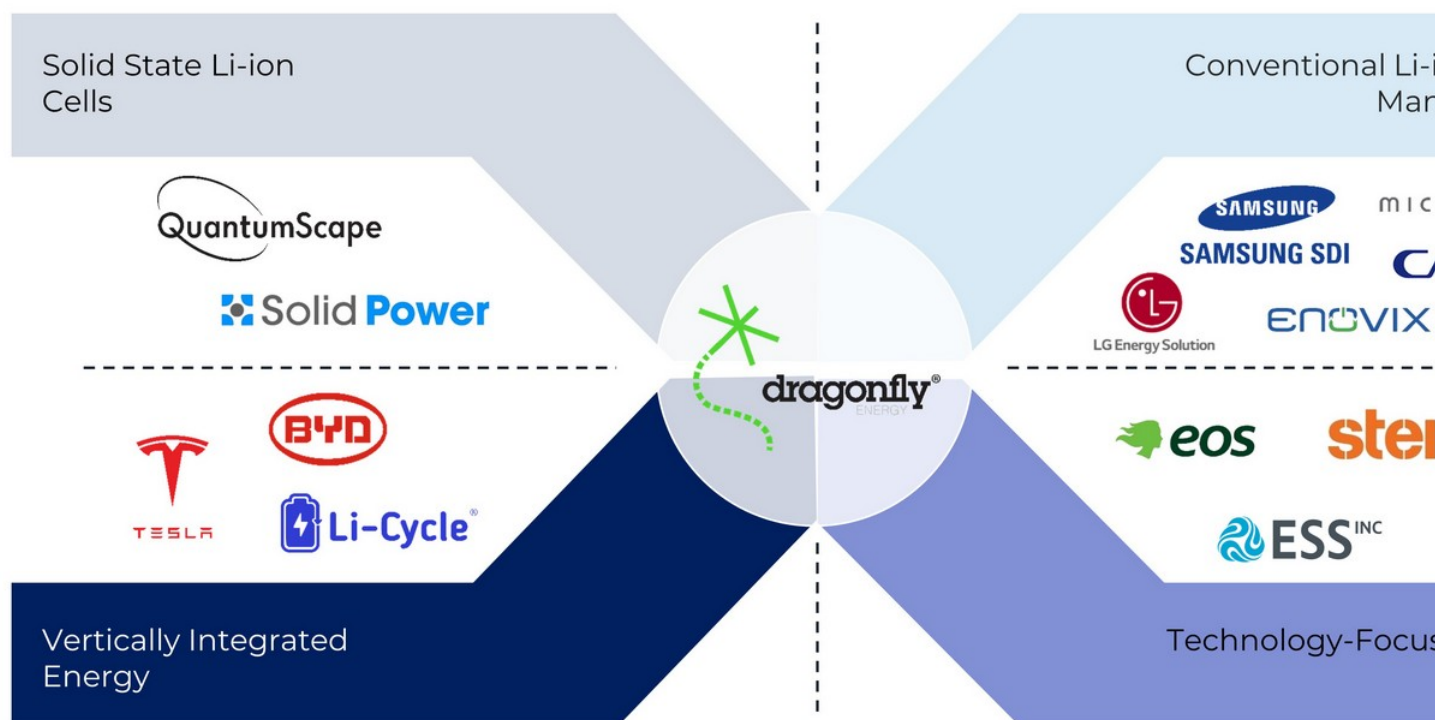
~2

**Industry Leader
in All
Segments⁽⁴⁾**

"... Keystone currently enjoys relationship with Dragonfly battery brands that, in time, will lead to an exclusive relationship with the entire family of THOR brands."

Todd Woelfer, THOR CEO

Dragonfly is Positioned to Sit at the Nexus of Energy Technology

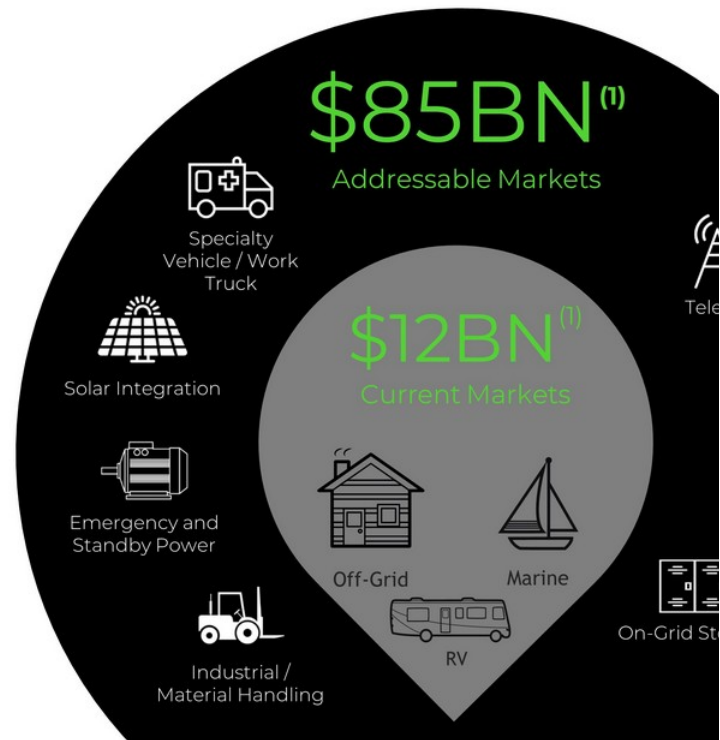


Source: Dragonfly Energy.

Rapidly Entering into New Addressable Markets

Dragonfly's lithium-ion deep cycle batteries are ideally suited for applications where **stability, longevity, and safety** are a priority and for powering and charging **devices and appliances, low-density mobility, and on-grid energy storage**

Annual U.S. Market Size



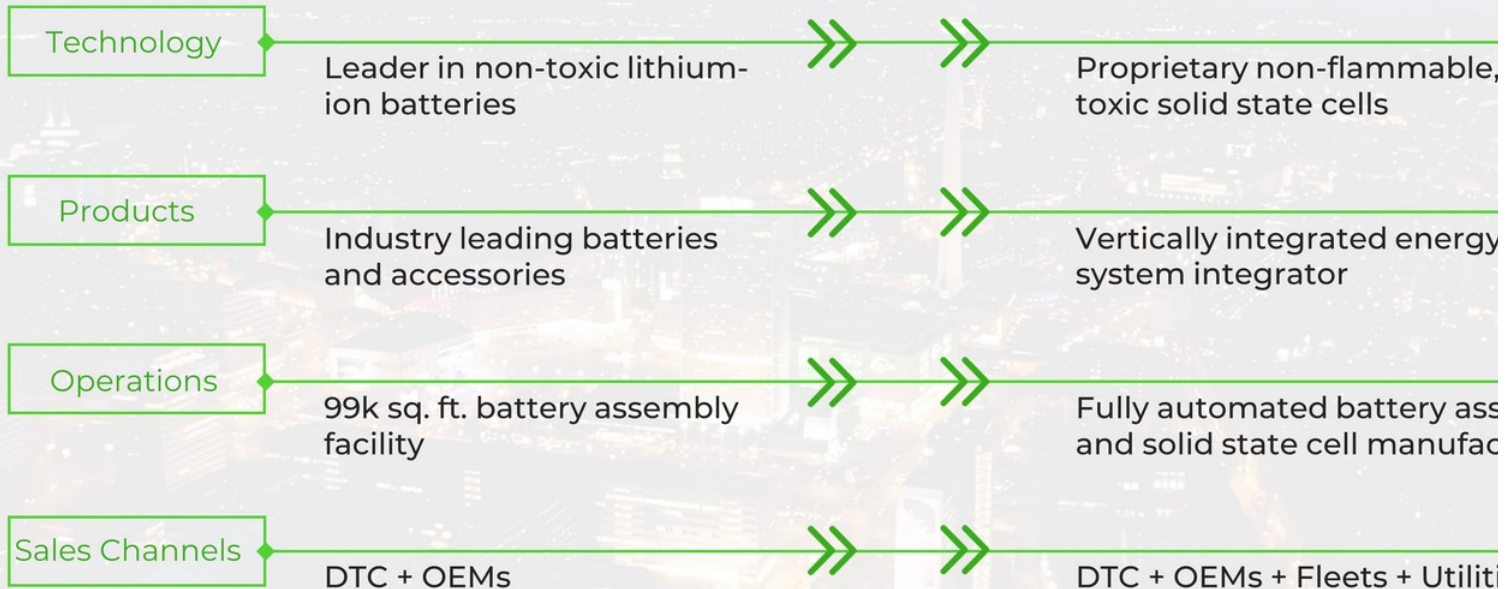
Source: Management Estimates, Frost & Sullivan, NMMA, RVIA, Grandview Research, Statista, Research Nester, Associated Press, Generac, CTIA, International Construction, U.S. Energy Information Administration, U.S. Census Bureau.

(1) Annual, cumulative addressable markets by 2025E.

Displacing Lead Acid Today, Replacing Coal Tomorrow

TODAY

TOMORROW



Source: Dragonfly Energy.



Company Overview



dragonfly[®]
ENERGY



Lead-Acid: A Toxic Problem

85%

Of the total global consumption of lead is for the production of lead-acid batteries⁽¹⁾

900K

Annual deaths attributed to lead exposure globally⁽¹⁾

33%

Of children suffer from lead poisoning worldwide⁽²⁾

\$1 Trillion

Estimated annual cost of lost productivity due to lead exposure globally⁽²⁾

Source:

(1) World Health Organization.

(2) Stanford University. "Lead poisoning of children: Researchers and others reveal pervasive health threats of unregulated battery recycling."



Leading the “Lead is Dead” Revolution

Dragonfly’s cutting-edge technology is enabling the widespread conversion to green, renewable energy

Battle Born Lithium-Ion vs. Lead-Acid Battery



Environmentally Safe
and Non-Toxic



>10x
Longer Life



2x – 3x
More Power



1/5th
the Weight

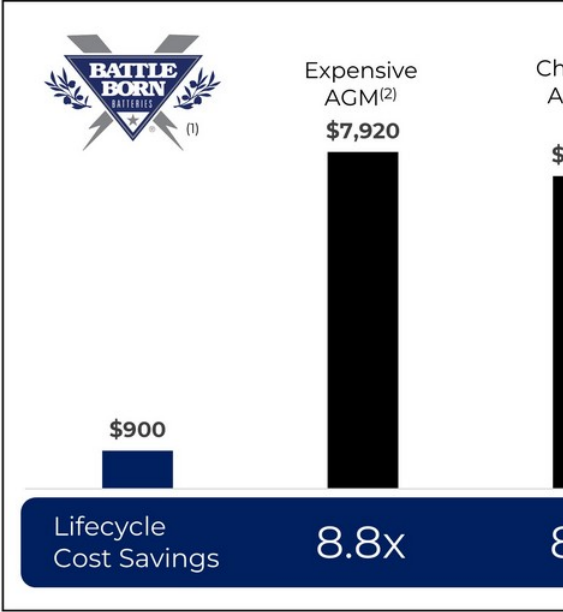


5x
Faster Charging



Zero
Maintenance

Battery Lifecycle Costs



Source: Management estimates and analysis, Lead is Dead White Paper, Morton's on the Move.
Note: Analysis using comparable 100AH, 12V batteries.
(1) Based on 1 Battle Born battery needed to achieve 100AH. Initial cost of \$900 per battery. Assumes 7,000 lifecycles at 80% depth of discharge (DOD) with no replacement needed.
(2) Based on 2 AGM batteries needed to achieve 100AH. Initial cost of \$360 per battery. Each battery achieves 700 lifecycles at 80% DOD; 10 replacements needed to achieve 7,000 lifecycles.
(3) Based on 2 AGM batteries needed to achieve 100AH. Initial cost of \$245 per battery. Each battery achieves 500 lifecycles at 80% DOD; 14 replacements needed to achieve 7,000 lifecycles.

Proprietary Capabilities vs. Li-Ion Competitors

Battery Management System

Ensures battery longevity through regulating currents and protecting the system and cells

- ✓ Multiple Tiered Current
- ✓ Short Circuit Protection
- ✓ Temperature Protection
- ✓ 100% Depth of Discharge
- ✓ Automatic Cell Balancing

Internally Heated Battery

Low draw technology keeps battery within optimal internal conditions

- ✓ Optimal Performance in Winter
- ✓ Verified Outperformance vs. AGM
- ✓ Self-Regulating
- ✓ Minimal Energy Drain
- ✓ No External Energy Required

Battery Comm System⁽¹⁾

Actively monitors the status of the entire battery system

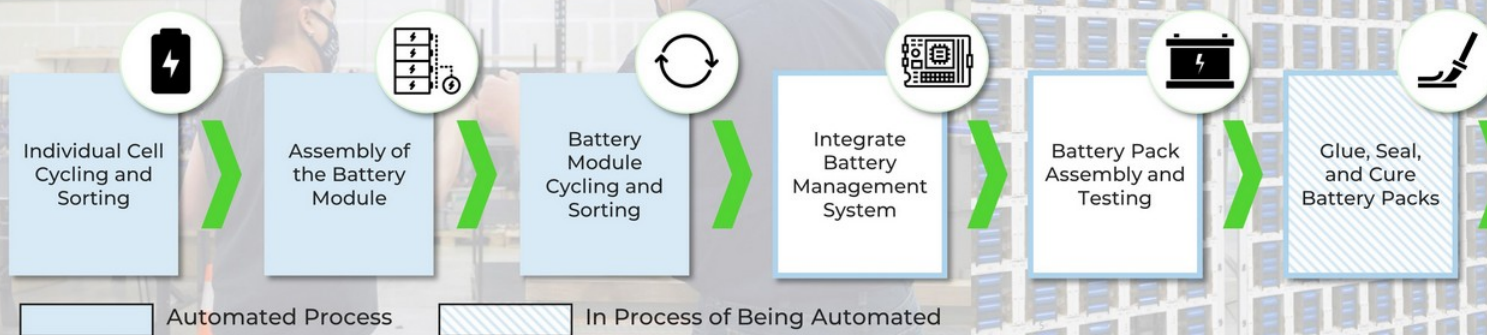
- ✓ Real-Time Data Monitoring
- ✓ Aggregated for Enterprise
- ✓ Active Alerts and Management
- ✓ Facilitates OEM Diagnostics
- ✓ CANbus⁽²⁾ Communication Capabilities

Source: Dragonfly Energy.

(1) Expected to launch H1 2023.

(2) Controller Area Network.

State-Of-The-Art Manufacturing Process



Manufacturing Breakthroughs: Current Capacity Allows for >\$500MM in Sales⁽¹⁾

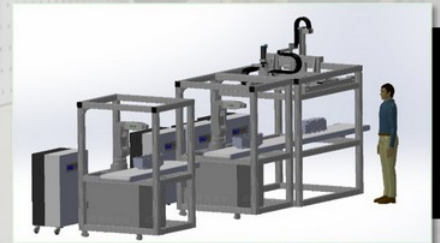
Continuously focused on improving and innovating the manufacturing process to increase capacity, while lowering costs without sacrifice.

- Proprietary automated systems designed to improve production efficiency
- Thoroughly test each component, system, and final product ensuring unmatched commitment to quality
- Designed and assembled in the U.S.
- Mass production is a key focus when developing technology and designing products

Source: Dragonfly Energy.

(1) Based on Company's estimated manufacturing capacity after planned expansion.

(2) In process of completing automated functionality.



Learn
About
Automated
Applications

Proven Go-To-Market Strategy

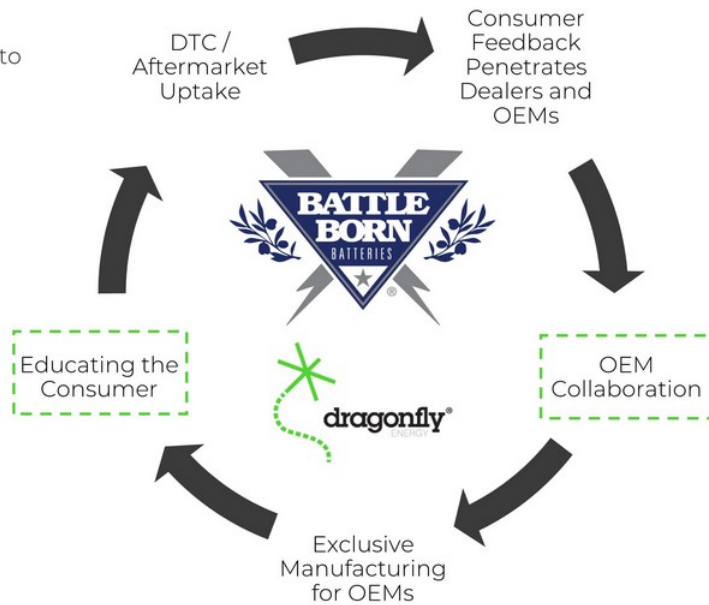
Dragonfly has created a continuous validation loop that begins with educating the consumer and leads to collaboration with the manufacturer

Educating the Consumer

- Partnered with social media influencers and professional anglers to promote brand through real-world applications
- Full team of experts dedicated to supporting customers with sales, technical, and service needs



YouTube



Collaborating with

- Working directly with custom design pre-existing applications
- Track record of successful aftermarket has led to partnerships with I



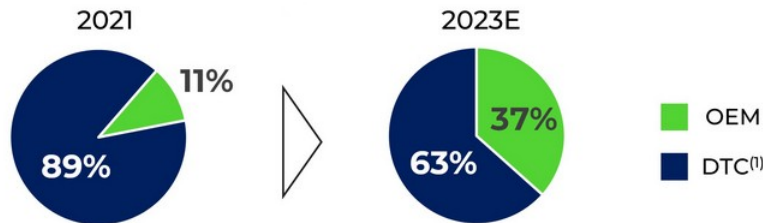
Source: Dragonfly Energy.

Growing Base of Satisfied Customers

Customer demand and **brand recognition** from aftermarket sales driving **significant adoption from OEMs**

Adoption from OEMs

DTC vs. OEM Sales as a Percentage of Revenue



Representative Customers



Source: Dragonfly Energy.

(1) Includes DTC battery sales, accessories, and adjustments.



“... [Dragonfly] can do something that is a world of difference.”
- Rick Harrison: P



“... We chose Batt because they are the industry leader in lithium-ion technology.”
- Always on Liber



“... We chose Batt because they provide quality, reliable battery ...”
- Mortons on the



“... We don't really know how long [an] we've been running it until we're done.”
- Off-Grid Living

Purpose Engineered for Deep Cycle Applications

Dragonfly's LFP chemistry is ideally suited for applications where stability, longevity, and safety are key criteria

Lithium Iron Phosphate (LFP)

Displacing:

Lead acid batteries (all types)

Competing Clean Technologies:

None

Key Characteristics:

Long life, affordable price, safe, stable

Key Considerations:

Ideal for powering / charging devices and appliances and low speed vehicles

Nickel Manganese Cobalt (NMC)

Displacing:

Gasoline and diesel fuel

Competing Clean Technologies:

Hydrogen fuel cells, LNG, biofuel

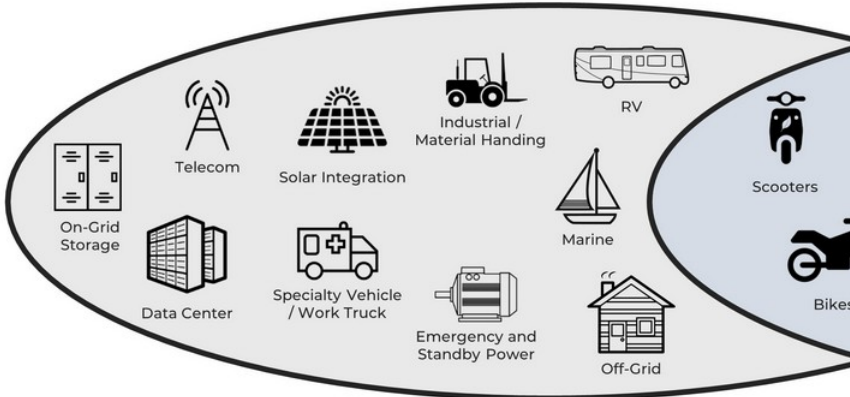
Key Charac

High energy

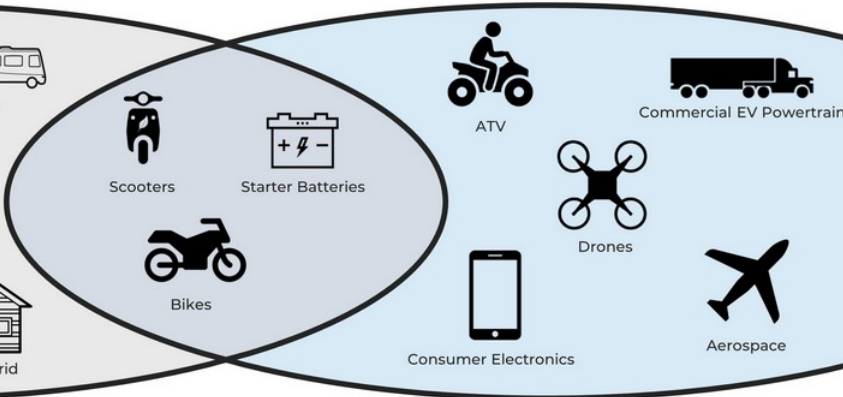
Key Consid

Expensive, r
requires fast
infrastructu

Ideal LFP Markets



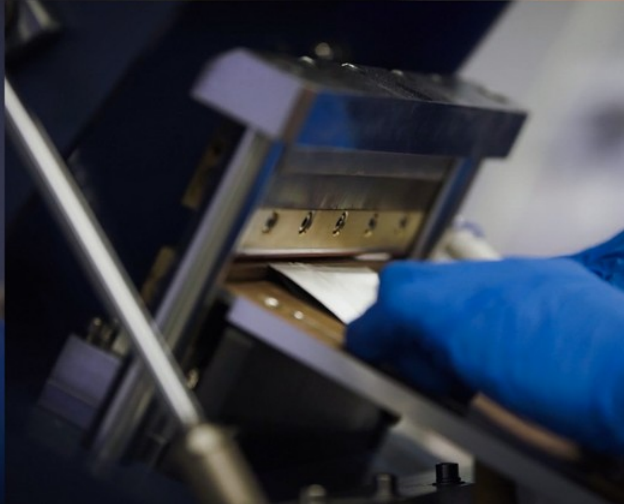
Ideal NMC Markets



Source: Dragonfly Energy.



Solid State Development



Solid State: Why Does it Matter?

For the Environment

- **Drives Shift from Fossil Fuels:** Low levelized cost⁽¹⁾ competes with burning coal and natural gas
- **Safety:** Non-flammable, which enables smart distributed energy storage

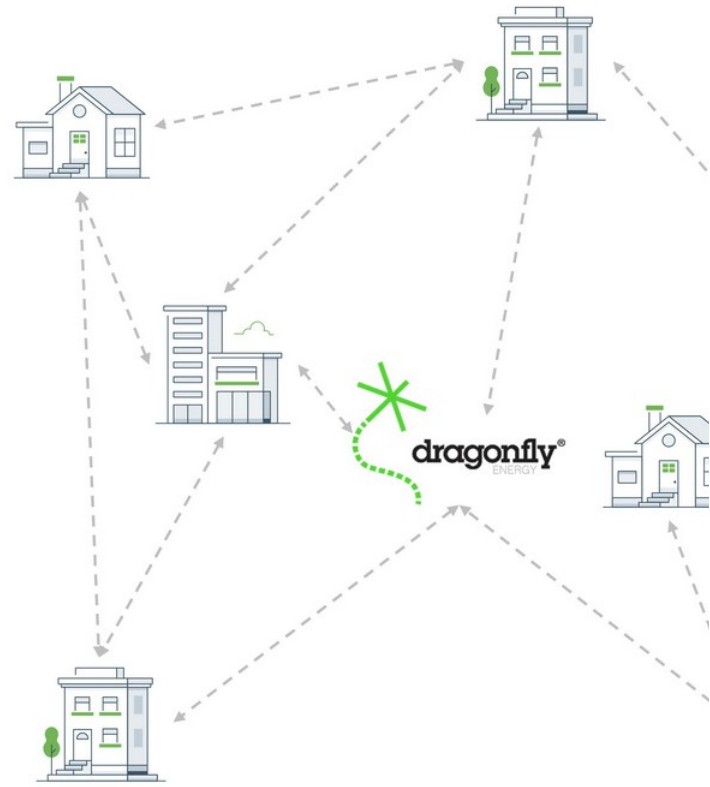
For Dragonfly

- **Enhanced Gross Margins:** Reduces material costs by >50%⁽²⁾
- **Vertical Integration:** Designed and manufactured in the U.S.

Source: Dragonfly Energy.

(1) Defined as lifetime costs divided by energy production.

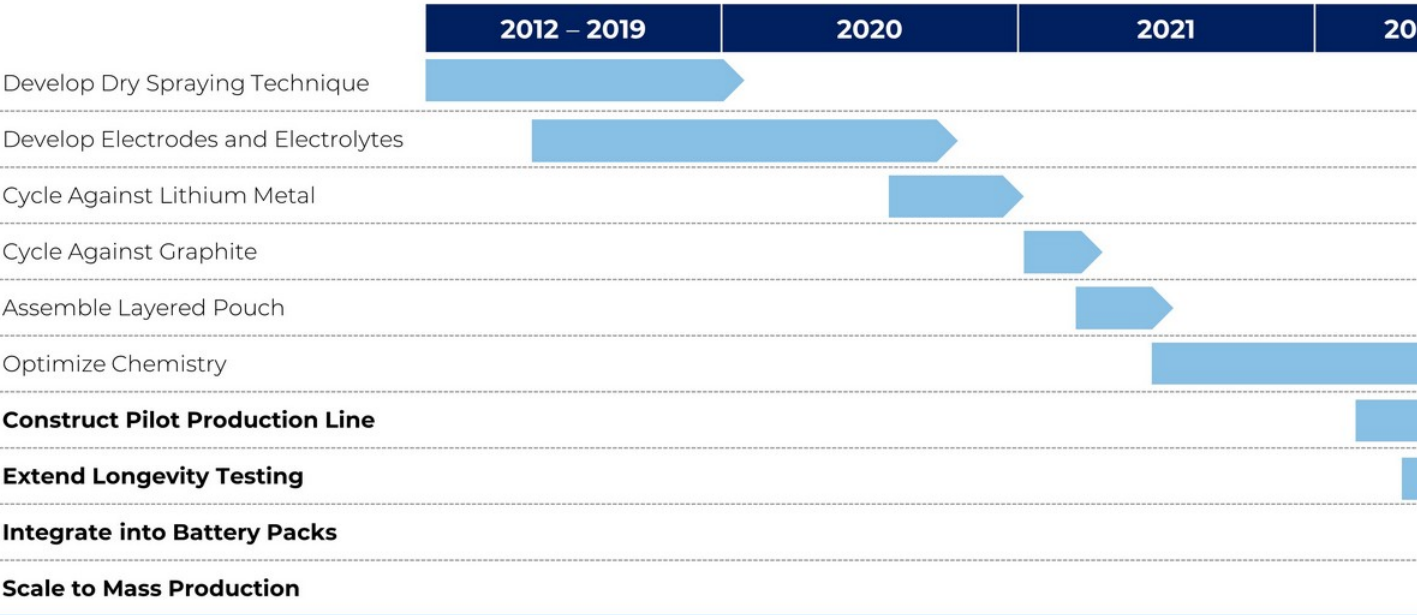
(2) As compared to traditional lithium-ion cells.



Dragonfly's envisioned smart storage solution will create a more stable power grid and encourage the incorporation of renewable energy sources.

Accelerating the Future with Solid State Development

Dragonfly has validated its solid state technology and is currently optimizing the cells and preparing for production



Research and Development Production and Commercialization

Source: Dragonfly Energy.

Innovative Technology

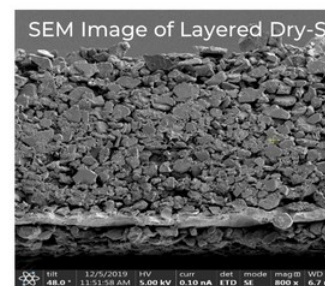
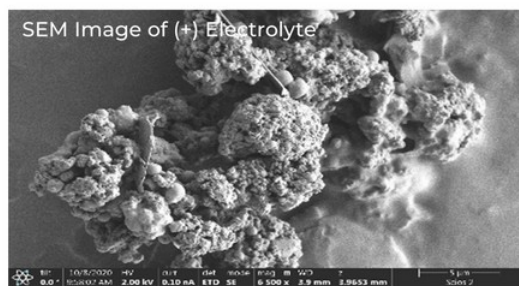
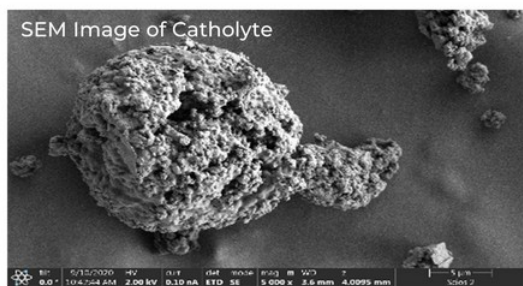
Dragonfly's solid state technology is purpose-designed for cost-effective scalable manufacturing

Technological Innovations

- ✓ Proprietary Encapsulation Process
- ✓ Proprietary Spray Powder Application
- ✓ Non-Flammable and Non-Toxic
- ✓ Homogenized Interfaces
- ✓ No Solid Separator
- ✓ No Liquids
- ✓ No Lithium Dendrites

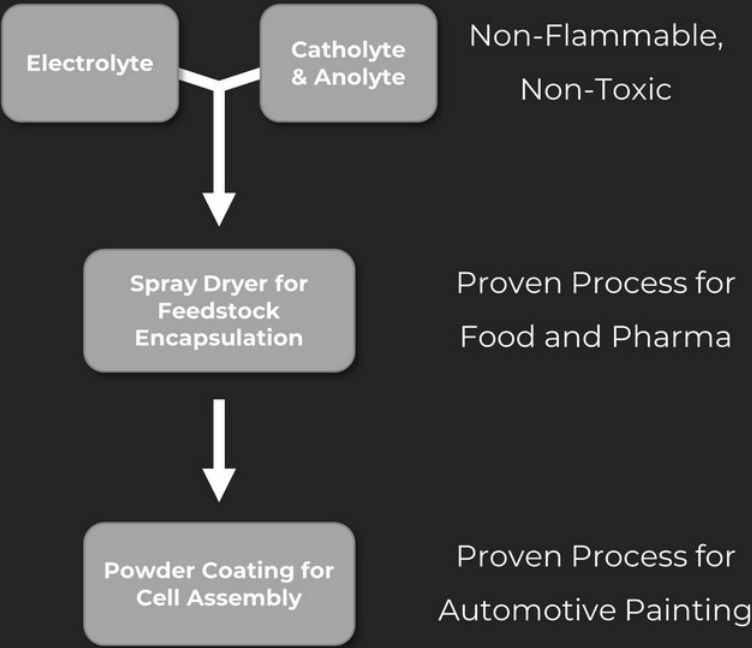
Manufacturing Innovations

- ✓ Lower Capital Requirements
- ✓ Extremely Cost Effective
- ✓ Scalable, Highly Automated
- ✓ Chemistry Agnostic



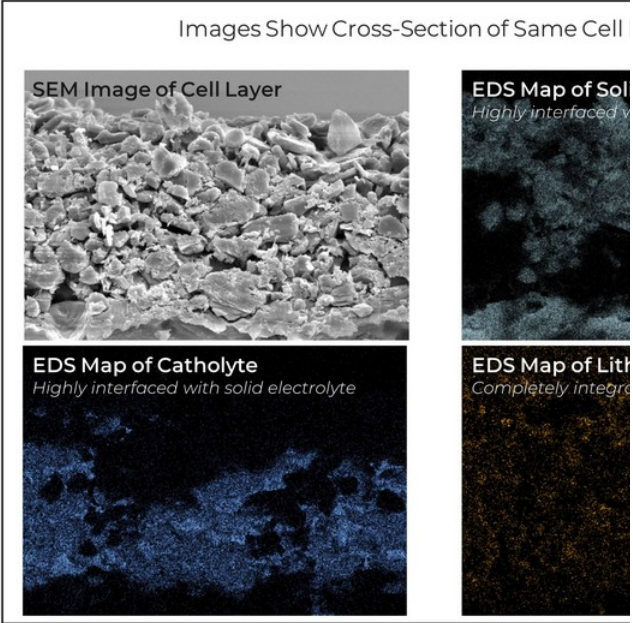
Source: Dragonfly Energy.

Validated Results from Proprietary Process



Exceptional Layer Interfacing

- Dragonfly's proprietary encapsulation and dry spray in cells that don't actually have "layers," but instead a
- Utilizing scanning electron microscopy (EMS) and energy ray spectroscopy (EDS), individual components of the



Source: Dragonfly Energy.

Financial Highlights



Financial Model Assumptions (1/2)

Financial Projections

Included in this presentation are the Company's estimates for the fiscal years 2022 and 2023 (the "Financial Projections"), based on information known as of the date of the presentation. These projections were prepared by the Company's management as part of its long-range planning process and to provide current and potential investors with the Company's expectations of projected financial performance for their use in evaluating the transaction described in this presentation.

The underlying assumptions on which the Financial Projections are based require significant judgment. As a result, there can be no assurance that the Financial Projections will be an accurate prediction of future results. Key estimates and assumptions underlying the Financial Projections include:

- **Revenue growth:**
 - Overall projected increase in revenue and unit sales in both fiscal 2022 and 2023 is based on projected OEM and DTC sales increases (described below), generally in line with Dragonfly's historical operating experience; (ii) incorporate relevant trends, such as the increasing momentum of lead-acid batteries by lithium-ion batteries and increased adoption of lithium-ion batteries by RV and boat consumers and manufacturers for environmental, performance and ownership benefits, and other reasons; and (iii) reflect related planned activities to drive Dragonfly's product sales in existing and new markets (including described below) where lead-acid batteries remain the primary source of deep cycle storage;
 - OEM revenue is forecasted to grow to approximately \$37 million in 2022 and \$93 in 2023 representing year-over-year growth of more than 350% in 2022 primarily based on increasing sales to RV OEM customers with whom Dragonfly has existing relationships and reflecting (i) increased OEM purchases of lithium-ion batteries as original equipment, as customers continue to displace lead-acid battery solutions with lithium-ion products; (ii) an increase in the number of RV models where the respective OEMs design in Dragonfly's batteries as a "standard" rather than an "optional" emerging trend within the RV industry; and (iii) growth in aftermarket sales through the various OEM dealer networks where Dragonfly's products are sold exclusively) and stocked for after-market RV service and lead-acid replacement, consistent with trends the Company has benefited from in its DTC business;
 - DTC revenue is forecasted to grow to approximately \$78 million in 2022 and \$162 million in 2023 representing year-over-year growth of more than 11% in 2022 primarily based on (i) increased penetration within existing markets in line with historical performance and the trend of lithium-ion batteries increasing sales and marketing investments, which are forecasted to grow by more than 50% in 2022 and more than 120% in 2023; (ii) increased sales and marketing investments, which are forecasted to grow by more than 50% in 2022 and more than 120% in 2023; (iii) the introduction of new lithium-ion battery products, such as higher voltage batteries and other product features, to address both existing and new market opportunities; and
 - DTC revenue growth is also expected to benefit from increased accessory sales as (i) Dragonfly further develops its full-system design expertise; (ii) Dragonfly's accessory and product offerings to include a more comprehensive listing of third-party components; (iii) customers increasingly demand more sophisticated rather than simple drop-in replacement (in each case, enabling Dragonfly to sell the additional components needed for a full storage solution).
- **Gross Margin:** expected to remain relatively stable compared to historic periods at approximately 35 – 40% as fixed cost absorption increases with higher revenue and manufacturing efficiencies (including additional automation efforts) help to lower overall production costs, somewhat offset by an increase in lower margin OEM material and logistics costs, and third-party sourced accessory sales.
- **Gross Profit:** expected to increase in line with increased sales and benefits from manufacturing efficiencies and platform scale.
- **Adjusted EBITDA and Adjusted EBITDA Margin:** each expected to increase in line with increased revenue and scale, somewhat offset by higher operating expenses in major expense categories as Dragonfly continues to expand its operations to support its revenue growth.
- **Manufacturing efficiencies:** to improve production efficiency, Dragonfly intends to continue to introduce additional automation functions into its manufacturing processes.
- **Manufacturing facility:** Dragonfly's 99,000 square foot production facility (occupied since mid-2021) currently houses two production lines with plans to introduce a third production line over the next two to three years to meet expected increases in unit demand, with additional capacity available as needed.

Financial Model Assumptions (2/2)

Financial Projections (Cont'd)

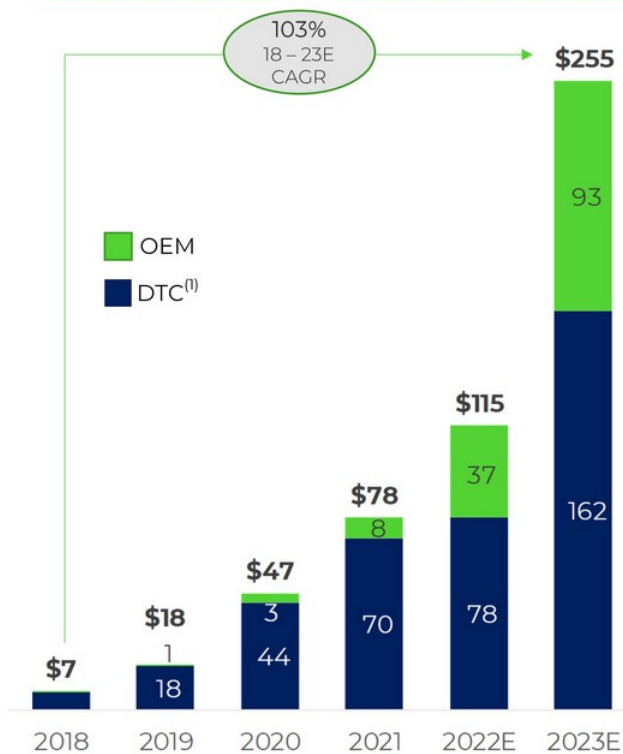
- **Cell supply:** Dragonfly has opted to purchase its lithium-ion battery cells from two carefully selected cell manufacturers in China. Doing so, to date, has enabled management to manage inventory and lead-times in anticipation of future needs and offset potential cell manufacturer cost increases with volume-based purchase discounts. Timely and cost-effective sourcing of cell supplies could adversely impact Dragonfly's revenue and margins.
- **Solid-state technology:** over the last decade, Dragonfly has made significant investments to develop its solid-state battery technology and position the Company to manufacture and market its own solid-state lithium-ion battery cells and battery packs. The Financial Projections reflect related investments intended to support (i) continued development of Dragonfly's solid-state chemistry and (ii) construction of an initial pilot production manufacturing line. The Financial Projections do not include any contribution from solid-state cell or battery sales, with these future sales subject to successful related technology development and production process advancement efforts. At this time, it is not possible to provide a meaningful estimate of potential solid-state battery sales. However, a significant element of the potential transaction consideration consists of up to 15 million shares payable only if related trading price targets of \$22.50 prior to December 31, 2026 and/or \$32.50 prior to December 31, 2028 are met (in addition to 15 million shares issuable upon Dragonfly meeting certain revenue or income thresholds for fiscal year 2023). We believe that meeting these trading price targets is unlikely to occur unless Dragonfly successfully develops its solid-state technology and solid-state battery sales prospects.

The Company believes that its operating history provides a reasonable basis for the estimates and assumptions underlying the Financial Projections. Changes in management's assumptions, including assumptions regarding key customer and supplier relationships, new product offerings, expansion into adjacent markets and/or the ability to implement planned automated manufacturing processes and expand production capacity could materially affect our Financial Projections.

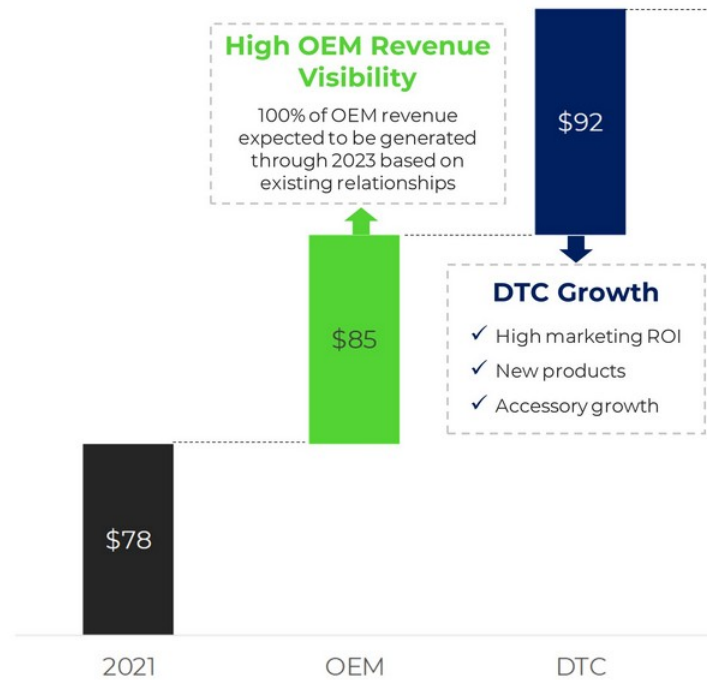
As of the date of this presentation, the Financial Projections contained herein continue to represent management's expectations regarding the Company's expected performance, solid state technology development efforts and the other events described above.

Existing Business Driving Future Success

Revenue (\$ in millions)



2021 to 2023E Revenue Bridge (\$ in millions)



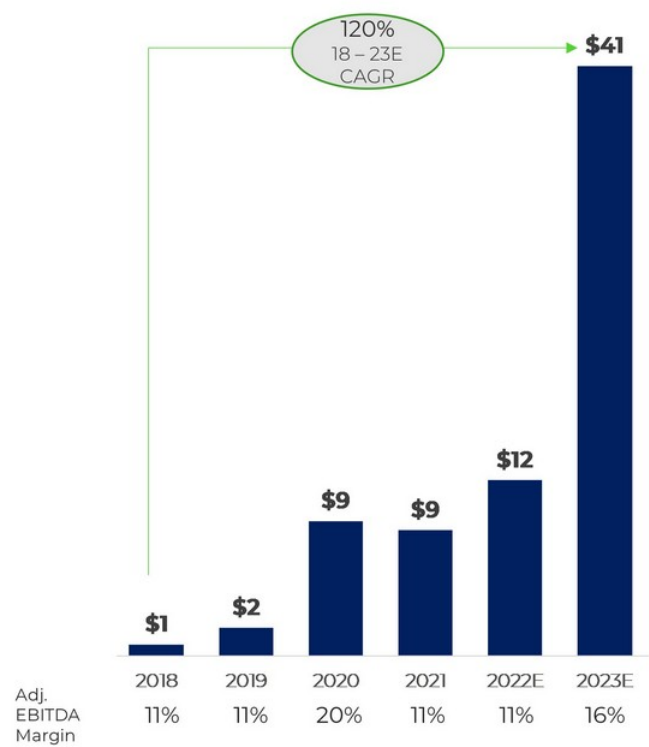
Source: Dragonfly Energy.

Note: Totals may not sum due to rounding.

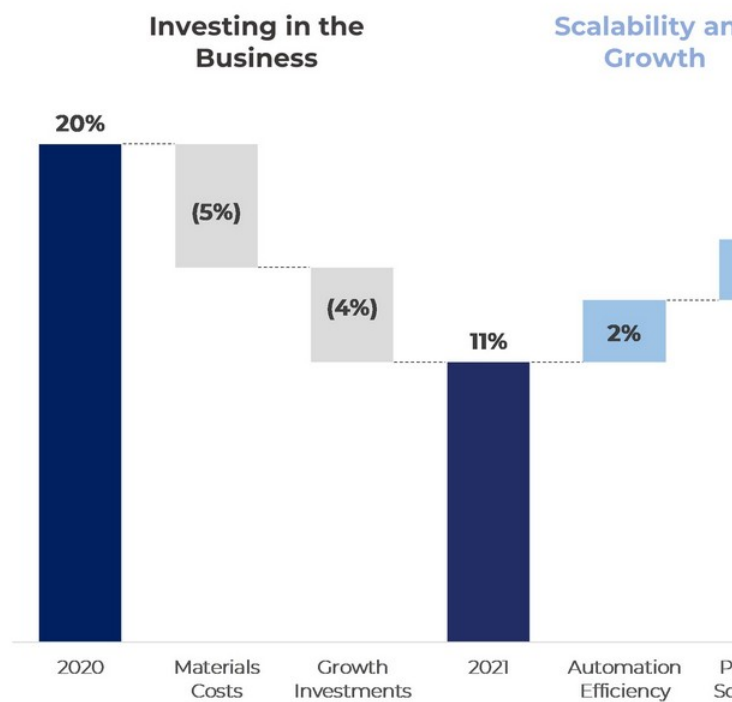
(1) Includes DTC battery sales, accessories, and adjustments.

Track Record of Profitable Growth

Adj. EBITDA⁽¹⁾ (\$ in millions)



2020 to 2023E Adj. EBITDA⁽¹⁾ Margin Bridge



Source: Dragonfly Energy.
Note: Totals may not sum due to rounding.
(1) Non-GAAP metric. Adj. EBITDA reconciles to Operating Income (the nearest GAAP financial measure) and adds back stock-based compensation, depreciation and amortization expense, and one-time expenses of \$75K in 2020, \$786K in 2021, and \$2.8MM in 2022 related to the implementation of an ERP system in 2020 and 2021, Debt transaction expenses and public readiness costs in 2021 and 2022E.

Financial Summary

(\$MM)	2018A	2019A	2020A	2021A	2022E
Battery Units ('000)	9	21	51	75	114
YoY Growth	220%	139%	147%	45%	52%
OEM Revenue	0	1	3	8	37
DTC Revenue ⁽¹⁾	7	18	44	70	78
Dragonfly Revenue	\$7	\$18	\$47	\$78	\$115
YoY Growth	246%	148%	156%	65%	48%
Gross Profit	\$3	\$7	\$21	\$30	\$44
Gross Margin	37%	38%	44%	38%	38%
Adj. EBITDA ⁽²⁾	\$1	\$2	\$9	\$9	\$12
Adj. EBITDA Margin	11%	11%	20%	11%	11%

Source: Dragonfly Energy.

Note: Totals may not sum due to rounding.

(1) Includes DTC battery sales, accessories, and adjustments.

(2) Non-GAAP metric. Adj. EBITDA reconciles to Operating Income (the nearest GAAP financial measure) and adds back stock-based compensation, depreciation and amortization expense, and one-time expenses of \$75K in 2018, \$2.8MM in 2019, \$2.8MM in 2020, \$2.8MM in 2021, and \$2.8MM in 2022E related to the implementation of an ERP system in 2020 and 2021, Debt transaction expenses and public readiness costs in 2021 and 2022E.

Non-GAAP Adjusted EBITDA Reconciliation

(\$MM)	2020A	2021A	2022E
Net Income	\$6.9	\$4.3	(\$25.8)
(+) Taxes ⁽¹⁾	1.9	1.6	-
(+) Other Expense (Income)	(0.0)	(0.0)	6.1
(+) Interest Expense (Income)	(0.0)	0.5	0.1
Income from Operations	\$8.7	\$6.5	(\$19.7)
(+) Depreciation and Amortization	0.2	0.6	1.6
EBITDA	\$8.9	\$7.1	(\$18.1)
(+) Stock-Based Compensation	0.4	0.7	1.2
(+) One-Time Expenses ⁽²⁾	0.1	0.9	29.1
Adj. EBITDA	\$9.4	\$8.7	\$12.2

Source: Dragonfly Energy.

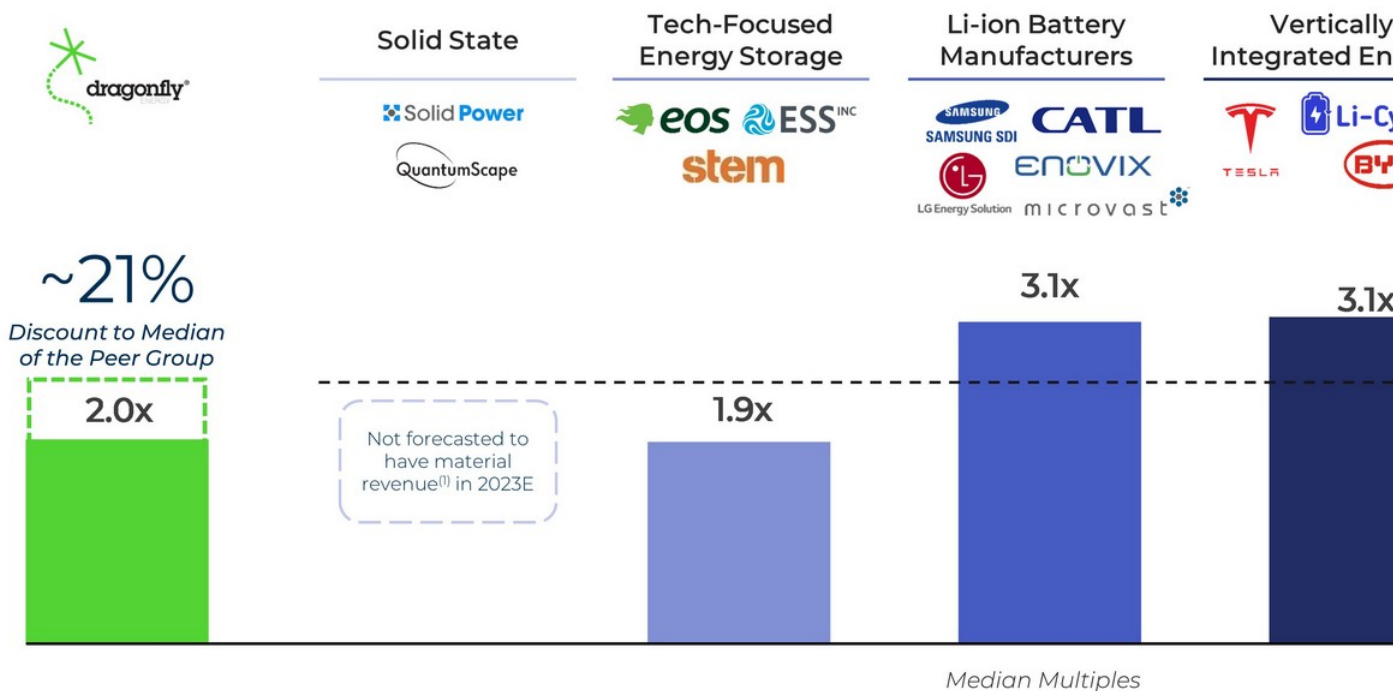
Note: Totals may not sum due to rounding. 2020 and 2021 represent audited financials.

(1) Income tax expense for YE 2022E and YE 2023E has not been forecasted.

(2) One-time expenses are related to the implementation of an ERP system in 2020 and 2021, debt transaction expenses, and public readiness costs in 2021 and 2022E.

Valuation Benchmarking

Attractive entry point based on **2023E Revenue** with potential substantial upside from solid state technology
EV / 2023E Revenue



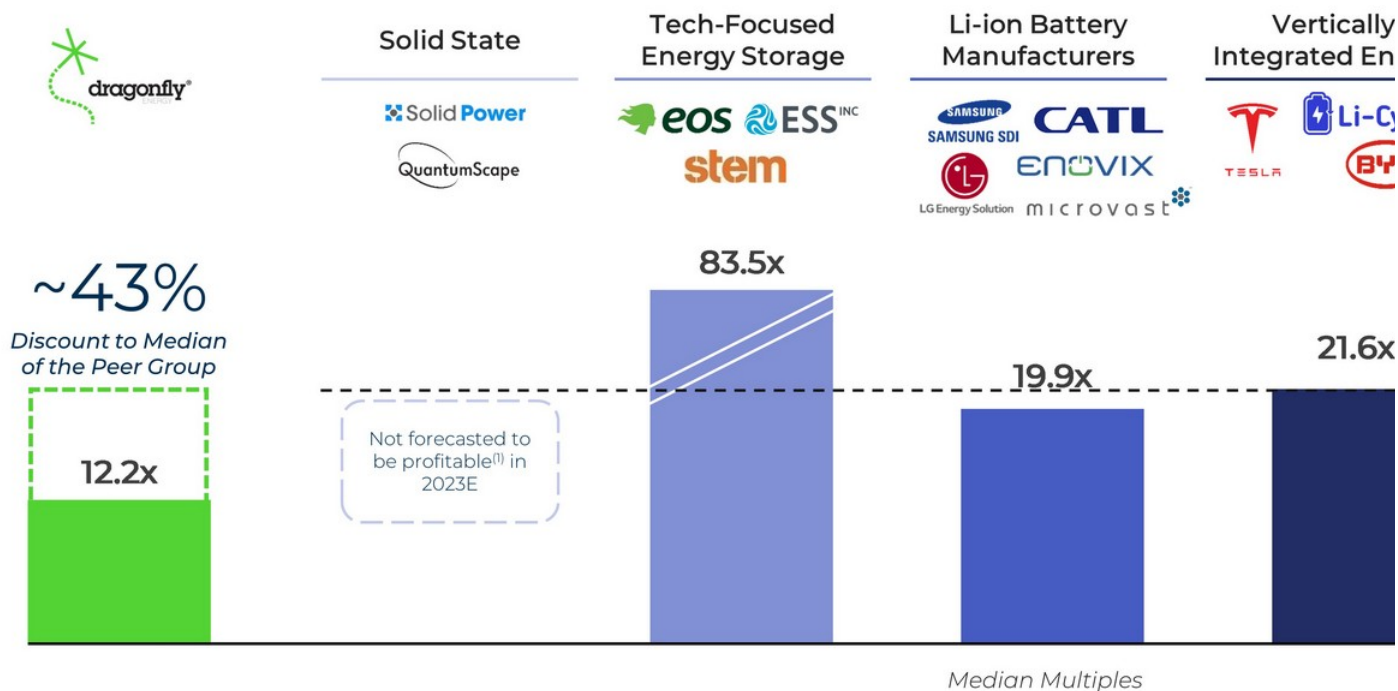
Source: FactSet; Public Company Filings as of 07/08/2022.

Note: Chart reflects median multiples of respective peer groups. Overall median reflects median of each company included.

(1) Material revenue defined as revenue >\$5MM.

Valuation Benchmarking (Cont'd)

Attractive entry point based on **2023E EBITDA** with potential substantial upside from solid state technology
EV / 2023E EBITDA



Valuation Benchmarking (Cont'd)



Solid State



Tech-Focused Energy Storage



Li-ion Battery Manufacturers



Vertical Integrators



Growth Adjusted
EV / 2023E
Revenue⁽¹⁾

~58%
Discount to Median
of the Peer Group

1.6x

Not forecasted to
have material
revenue⁽²⁾ in 2022E
or 2023E

0.4x

7.9x

4.8

Median Multiples

Growth Adjusted
EV / 2023E
EBITDA⁽¹⁾

~89%
Discount to Median
of the Peer Group

5.2x

Not forecasted to
be profitable⁽³⁾ in
2022E or 2023E

Not forecasted to
be profitable⁽³⁾ in
2022E

41.2x

61.5

Median Multiples

Source: FactSet; Public Company Filings as of 07/08/2022.

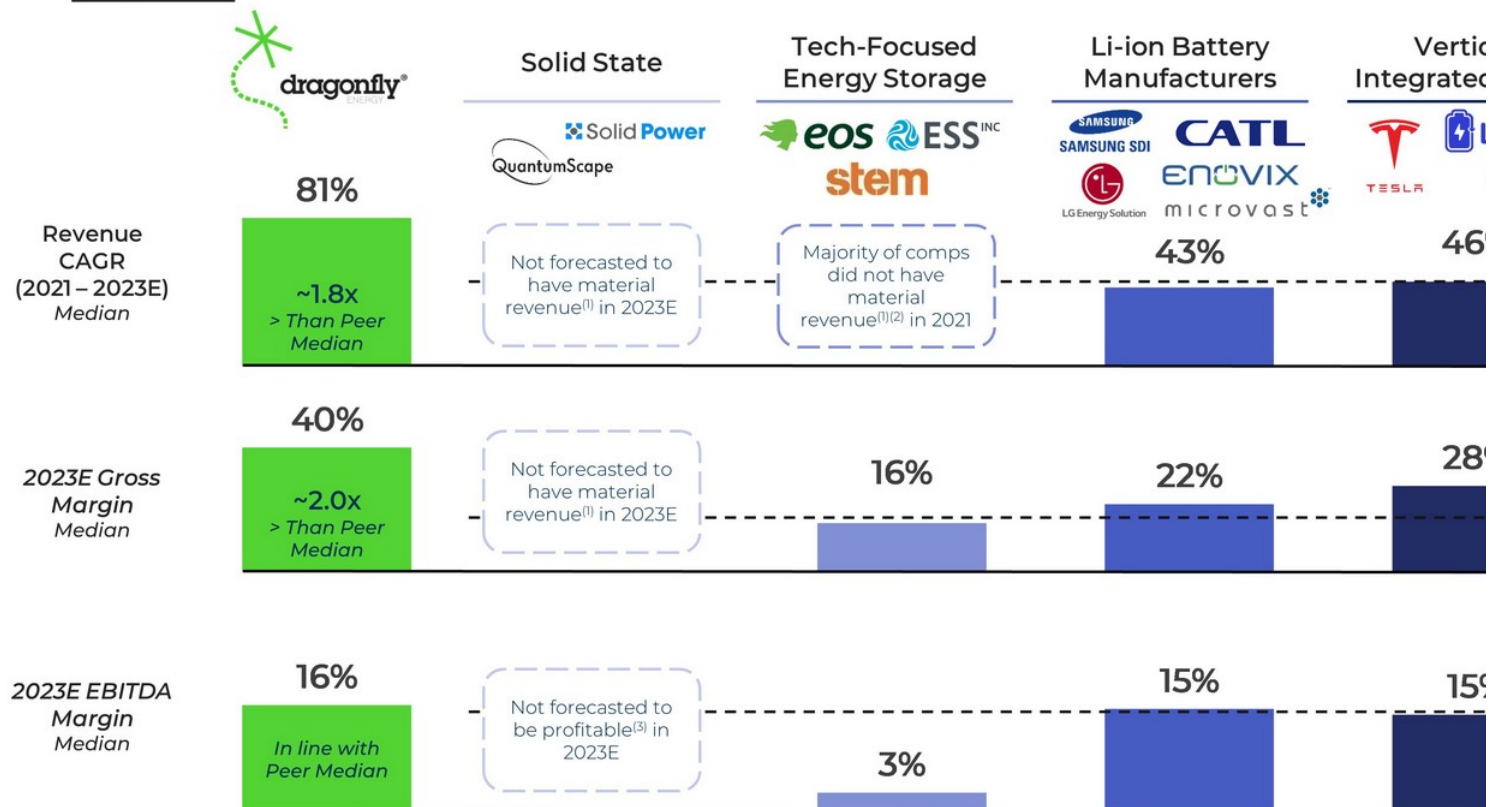
Note: Chart reflects median metrics of respective peer groups. Overall median reflects median of each company included.

(1) Growth adjusted revenue and EBITDA multiples calculated as 2023E multiple divided by the 2022E - 2023E growth rate of each metric.

(2) Material revenue defined as revenue >\$5MM.

(3) Profitability defined as positive EBITDA.

Operational Benchmarking



Source: FactSet; Public Company Filings as of 07/08/2022.

Note: Chart reflects median metrics of respective peer groups. Overall median reflects median of each company included.

(1) Material revenue defined as revenue >\$5MM.

(2) Stem generated revenues of \$127MM in 2021.

(3) Profitability defined as positive EBITDA.

Risk Considerations (1/5)

The risks presented below are certain of the general risks related to the business of the Company and the business combination, and such list is not exhaustive. Carefully consider these risks and uncertainties, and should carry out your own diligence and consult with your own financial, tax and legal advisors concerning suitability of an investment in this offering before making an investment decision. The risks presented below are qualified in their entirety by disclosures contained in documents filed or furnished by CNTQ with the United States Securities and Exchange Commission ("SEC"), including the documents filed or furnished in connection with proposed transactions between the Company and CNTQ. The risks presented in such filings will be consistent with those that would be required for a public company, including with respect to the business and securities of the Company and CNTQ and the proposed transactions between the Company and CNTQ, and may differ significantly from, and be more extensive than, those presented below.

Unless the context otherwise requires, all references below to the "Company," "Dragonfly," "we," "us" or "our" refer to the business of Dragonfly Energy Corp. prior to the consummation of the Transaction, and New Dragonfly and its subsidiaries, including Dragonfly Energy Corp., following the consummation of the Transaction.

Risks Related to Dragonfly's Business and New Dragonfly Following the Business Combination

Risks Related to Dragonfly's Existing Lithium-Ion Battery Operations

- Our business and future growth depends on the needs and success of our customers.
 - We may not be able to engage target customers successfully and to convert these customers into meaningful orders in the future.
 - We operate in a competitive industry. We expect that the level of competition will increase and the nature of our competitors will change as we develop new products for, and enter into, new markets, and as the competitive landscape evolves. These competitive and other factors could result in lost potential sales, lower selling prices and profitability for our products.
 - We may not succeed in our medium and long-term strategy of entering into new end markets for LFP batteries and our success depends, in part, on our ability to develop and manufacture new products for, and acquire customers in, these new markets and successfully grow our operations and production capabilities (including our ability to manufacture solid state cells in-house).
 - We currently rely on two suppliers to provide our LFP cells and a single supplier for the manufacture of our battery management system. Any disruption in the supply of these key suppliers could adversely affect our business and results of operations.
 - We may not be able to accurately estimate future demand for our LFP batteries, and our failure to accurately predict our production requirements could result in increased costs or delays.
 - We are currently, and will likely continue to be, dependent on a single manufacturing facility. If our facility becomes inoperable for any reason, or our manufacturing plans do not yield the desired effects, our ability to produce our products could be negatively impacted.
 - Lithium-ion battery cells have been observed to catch fire or release smoke and flame, which may have a negative impact on our reputation and business.
 - We may be subject to product liability claims, which could harm our financial condition and liquidity if we are not able to successfully defend or insure against them.
 - We currently rely on software and hardware that is highly complex and technical, and we expect that our reliance will increase in the future with the introduction of new products. If we are unable to manage the risks inherent in these complex technologies, or if we are unable to address or mitigate technical limitations in our current products, our business could be adversely affected.
-

Risk Considerations (2/5)

Risks Related to Dragonfly's Solid State Technology Development

- We face significant engineering challenges in our attempts to develop and manufacture solid state battery cells and these efforts may be delayed or fail which impact our business.
- We expect to make significant investments in our continued research and development of solid state battery technology development, and we may be unable to control the costs associated with manufacturing our solid state battery cells.
- If our solid state batteries fail to perform as expected, our ability to further develop, market, and sell our solid state batteries could be harmed.
- We expect to rely on machinery used in other large-scale commercial applications, modified to incorporate our proprietary technologies and processes, in order to produce solid state battery cells, which exposes us to a significant degree of risk and uncertainty in terms of scaling production, operational performance and reliability.

Risks Related to Intellectual Property

- We rely heavily upon our intellectual property portfolio. If we are unable to protect our intellectual property rights, our business and competitive position would be harmed.
- We may need to defend ourselves against intellectual property infringement claims, which may be time-consuming and could cause us to incur substantial costs.
- Our current and future patent applications may not result in issued patents or our patent rights may be contested, circumvented, invalidated or limited in scope, which could have a material adverse effect on our ability to prevent others from commercially exploiting products similar to ours.

General Risk Factors

- The uncertainty in global economic conditions, including as a result of the COVID-19 pandemic and the Russia-Ukraine conflict, could negatively affect our revenue and profitability.
 - Currency fluctuations, trade barriers, tariffs or shortages and other general economic or political conditions may limit our ability to obtain key components for our products or significantly increase freight charges, raw material costs and other expenses associated with our business, which could further materially and adversely affect our condition and results of operations.
 - The loss of one or more members of our senior management team, other key personnel or our failure to attract additional qualified personnel may adversely affect our business and our ability to achieve our anticipated level of growth.
 - Our operating and financial results forecast relies in large part upon assumptions and analyses developed by us. If these assumptions or analyses prove to be inaccurate, our actual operating results may be materially different from our forecasted results.
 - Our website, systems, and the data we maintain may be subject to intentional disruption, security incidents, or alleged violations of laws, regulations, or other legal requirements relating to data handling that could result in liability and adversely impact our reputation and future sales.
 - If we fail to manage our growth effectively, we may be unable to execute our business plan, maintain high levels of customer service, or adequately address market challenges.
 - We may expand our business through acquisitions in the future, and any future acquisition may not be accretive and may negatively affect our business.
 - Our operations are subject to a variety of environmental, health and safety rules that can bring scrutiny from regulatory agencies and increase our costs.
 - We are subject to anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions and similar laws, and non-compliance with such laws could result in administrative, civil and criminal fines and penalties, collateral consequences, remedial measures and legal expenses, all of which could adversely affect our operations, financial condition and reputation.
 - From time to time, we may be involved in legal proceedings and commercial or contractual disputes, which could have an adverse impact on our profitability and financial position.
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Risk Considerations (3/5)

Risks Related to Dragonfly's Financial Position and Capital Requirements

- Our business is capital intensive, and we may not be able to raise additional capital on attractive terms, if at all. Any further indebtedness we incur, including commitment letter with Energy Impact Credit Fund I LP, may limit our operational flexibility in the future.
- Restrictions imposed by our outstanding indebtedness and any future indebtedness, including pursuant to the commitment letter with Energy Impact Credit Fund I LP, may limit our ability to operate our business and to finance our future operations or capital needs or to engage in acquisitions or other business activities necessary for our growth.

Risks Related to Ownership of CNTQ Securities and the Business Combination

- The Sponsor, certain members of the CNTQ Board and certain CNTQ officers have interests in the Business Combination that are different from or are in addition to the interests of the public stockholders in recommending that stockholders vote in favor of approval of the Business Combination Proposal and approval of the other transaction proposals.
 - The Sponsor may have interests in the Business Combination different from the interests of CNTQ's public stockholders.
 - The Sponsor, CNTQ's directors and affiliates of CNTQ's management team may receive a positive return on the 3,162,500 Founder Shares and 4,627,858 private warrants even if CNTQ's public stockholders experience a negative return on their investment after consummation of the Business Combination.
 - The Nasdaq may not continue to list our securities, which could limit investors' ability to make transactions in our securities and subject us to additional trading volume restrictions.
 - Future resales of our outstanding securities, including the registration of securities for resale under the Registration Rights Agreement, may cause the market price of our securities to drop significantly, even if our business is doing well.
 - The Sponsor is liable to ensure that proceeds of the trust are not reduced by vendor claims in the event an initial business combination is not consummated to pay for any liquidation expenses if an initial business combination is not consummated. Such liability may have influenced the Sponsor's decision to approve the Business Combination.
 - The exercise of CNTQ's directors' and officers' discretion in agreeing to changes or waivers in the terms of the Business Combination may result in a conflict of interest with the interests of the public stockholders in determining whether such changes to the terms of the Business Combination or waivers of conditions are appropriate and in CNTQ's stockholders' best interests.
 - If CNTQ is unable to complete the Business Combination or another initial business combination by August 13, 2022 (unless this deadline is extended pursuant to the terms of the Business Combination Agreement or pursuant to the CNTQ organizational documents), CNTQ will cease all operations except for the liquidation of the company, redeem 100% of the outstanding public shares and, subject to the approval of its remaining stockholders and the CNTQ Board, dissolve the company. In such event, third parties may bring claims against CNTQ and, as a result, the proceeds held in the trust account could be reduced and the per-share liquidation value of the public shares could be less than \$10.00 per share.
 - CNTQ's stockholders may be held liable for claims by third parties against CNTQ to the extent of distributions received by them.
 - We may not have sufficient funds to satisfy indemnification claims of our directors and officers.
 - CNTQ's stockholders will experience immediate dilution as a consequence of, among other transactions, the issuance of CNTQ common stock as consideration for the Business Combination, the PIPE Investment and the debt and equity line facilities. Having a minority share position may reduce the influence that CNTQ's current stockholders have on the management of CNTQ.
 - The Sponsor and the PIPE Investor will beneficially own a significant equity interest in CNTQ and may take actions that conflict with the interests of other CNTQ stockholders.
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Risk Considerations (4/5)

Risks Related to Ownership of CNTQ Securities and the Business Combination (Cont'd)

- Our Sponsor, directors or officers or their affiliates may elect to purchase shares from public stockholders, which could reduce the number of shares that may be available for the Business Combination and reduce the public "float" of CNTQ common stock.
 - The unaudited pro forma financial information included elsewhere in this presentation may not be indicative of what New Dragonfly's actual financial position and operations would have been.
 - CNTQ and Dragonfly have incurred and expect to incur significant costs associated with the Business Combination. Whether or not the Business Combination is consummated, the incurrence of these costs will reduce the amount of cash available to be used for other corporate purposes by CNTQ if the Business Combination is not consummated.
 - A provision in CNTQ's Warrant Agreement may make it more difficult for CNTQ to consummate the Business Combination.
 - Our ability to successfully effect the Business Combination and to be successful thereafter will be dependent upon the efforts of certain key personnel, including certain key personnel of Dragonfly whom we expect to stay with the post-combination business following the Business Combination. The loss of key personnel could negatively impact the operations and profitability of our post-combination business and its financial condition could suffer as a result.
 - CNTQ and Dragonfly will be subject to business uncertainties and contractual restrictions while the Business Combination is pending.
 - The ability of CNTQ's public stockholders to exercise redemption rights with respect to a large number of shares of CNTQ's Class A common stock could reduce the working capital available to New Dragonfly upon the closing of the Transaction and could adversely affect the completion of the Transaction.
 - Recently, there have been changes to the accepted accounting for special purpose acquisition companies ("SPACs"). Changes in the accepted accounting rules may result in the recognition of accounting errors in previously issued financial statements, restatements of previously issued financial statements, the filing of notices of non-compliance with previously issued financial statements may not be relied upon, notices from stock exchanges that CNTQ or New Dragonfly is not in compliance with continuing listing requirements and findings of material weaknesses and significant deficiencies in internal controls over financial reporting. In addition, such changes could delay or have a negative effect on CNTQ's and Dragonfly's ability to consummate the Transaction.
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Risk Considerations (5/5)

Risks Related to Ownership of New Dragonfly's Common Stock

- If securities or industry analysts do not publish research or reports about New Dragonfly, or publish negative reports, New Dragonfly's stock price and trading volume may decline.
- If the Business Combination's benefits do not meet the expectations of investors, stockholders or financial analysts, the market price of New Dragonfly's securities could decline. Additionally, trading prices for New Dragonfly's securities could be highly volatile, and purchases of New Dragonfly securities could incur substantial losses.
- An active trading market for New Dragonfly's securities may not be available on a consistent basis to provide stockholders with adequate liquidity.
- Warrants will become exercisable for New Dragonfly's common stock, which would increase the number of shares eligible for future resale in the public market and result in dilution to New Dragonfly's stockholders.
- New Dragonfly's operating results may fluctuate significantly following the Business Combination, which makes its future operating results difficult to predict. Its operating results may fall below expectations or any guidance it may provide.
- Changes in laws, regulation or rules, or a failure to comply with any laws, regulations or rules, may adversely affect New Dragonfly's business, investments and operations.
- New Dragonfly does not intend to pay dividends on its common stock and, consequently, your ability to achieve a return on your investment will depend on the price of New Dragonfly's common stock.

Risks Related to the Financings

- Securities issued in the private placement will be restricted securities and will not be registered upon issuance and therefore will be subject to securities law transferability until such time as the resale of such securities is registered or an exemption from registration is available.
 - The availability of the term loan and the equity facility are subject to the negotiation and execution of definitive documentation.
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dragonfly[®]
ENERGY

***Revolutionizing smart energy storage
to enable a clean, renewable future***